

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - State Finance and Procurement

7-317.

(A) THERE IS A CIGARETTE RESTITUTION FUND.

(B) (1) THE FUND IS A CONTINUING, NONLAPSING FUND THAT IS NOT SUBJECT TO ~~THE PROVISIONS OF~~ § 7-302 OF THIS SUBTITLE.

(2) THERE SHALL BE CREDITED TO THE FUND ALL REVENUES CONSISTING OF FUNDS RECEIVED BY THE STATE FROM ANY SOURCE ~~AS A DIRECT OR INDIRECT RESULT OF~~ *RESULTING, DIRECTLY OR INDIRECTLY,* FROM ANY JUDGMENT AGAINST OR SETTLEMENT WITH TOBACCO PRODUCT MANUFACTURERS, TOBACCO RESEARCH ASSOCIATIONS, OR ANY OTHER PERSON IN THE TOBACCO INDUSTRY RELATING TO LITIGATION, ADMINISTRATIVE PROCEEDINGS, OR ANY OTHER CLAIMS MADE OR PROSECUTED BY THE STATE TO RECOVER DAMAGES FOR VIOLATIONS OF STATE LAW.

(C) THE TREASURER SHALL:

(1) INVEST AND REINVEST THE FUND IN THE SAME MANNER AS OTHER STATE FUNDS; AND

(2) CREDIT ANY INVESTMENT EARNINGS TO THE FUND.

(D) EXPENDITURES FROM THE FUND SHALL BE MADE BY AN APPROPRIATION IN THE ANNUAL STATE BUDGET.

(E) (1) THE FUND SHALL BE EXPENDED SUBJECT TO ANY RESTRICTIONS ON ITS USE OR OTHER LIMITATIONS ON ITS ALLOCATION THAT ARE:

(I) EXPRESSLY PROVIDED BY STATUTE;

(II) REQUIRED AS A CONDITION OF THE ACCEPTANCE OF FUNDS;
OR

(III) DETERMINED TO BE NECESSARY TO AVOID RECOUPMENT BY THE FEDERAL GOVERNMENT OF MONEY PAID TO THE FUND.

(2) DISBURSEMENTS FROM THE FUND TO PROGRAMS FUNDED BY THE STATE OR WITH FEDERAL FUNDS ADMINISTERED BY THE STATE SHALL BE USED SOLELY TO SUPPLEMENT, AND NOT TO SUPPLANT, FUNDS OTHERWISE AVAILABLE FOR ~~SUCH~~ THE PROGRAMS UNDER FEDERAL OR STATE LAW AS PROVIDED IN THIS SECTION.

(F) (1) ~~ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE LEGISLATIVE POLICY COMMITTEE SHALL:~~

~~(I) ASSESS AND DETERMINE THE RESPECTIVE NEEDS OF THE RESIDENTS OF THE STATE AND DEVELOP RECOMMENDATIONS FOR THE~~