

the reserve fund can be released only under specified circumstances; (3) the manufacturers must annually certify to the Attorney General that they are in compliance with the provisions of this bill; and (4) if a manufacturer fails to comply with the provisions of this bill, civil action may be brought against it by the State, with monetary penalties and a possible prohibition from selling its products in Maryland for a specified period of time.

Senate Bill 305, which was passed by the General Assembly and signed by me on April 27, 1999, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 671.

Sincerely,
Parris N. Glendening
Governor

House Bill 671

AN ACT concerning

Tobacco Product Manufacturers - Settlement of State Claims - Nonparticipating Manufacturers - Deposits of Funds in Escrow - Model Statute

FOR the purpose of enacting the model statute provided by the Master Settlement Agreement between the State of Maryland and certain tobacco product manufacturers in the United States to create a reserve fund for a certain purpose for those manufacturers who do not enter into the settlement; requiring tobacco product manufacturers that sell cigarettes to consumers in the State to either become a participant in the settlement agreement or to deposit certain amounts of funds, calculated on the basis of certain formulas, into escrow accounts in certain financial institutions for certain years; providing for the circumstances under which the funds in the escrow accounts may be released; requiring tobacco product manufacturers who place funds in escrow accounts to make a certain annual certification to the Attorney General; providing for certain penalties for those manufacturers who fail to comply with the certification requirement; providing that the penalties shall be paid over to the General Fund of the State; and relating generally to tobacco product manufacturers and certain required deposits of funds into escrow accounts.

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

1. Findings and Purpose.

(a) Cigarette smoking presents serious public health concerns to the State and to the citizens of the State. The United States Surgeon General has determined that smoking causes lung cancer, heart disease, and other serious diseases, and that there are hundreds of thousands of tobacco-related deaths in the United States each year. These diseases most often do not appear until many years after the person in question begins smoking.