

2001 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-SB55)

Received: **06/28/2001**

Received By: **isagerro**

Wanted: **As time permits**

Identical to LRB:

For: **Spencer Black (608) 266-7521**

By/Representing: **Susan McMurray**

This file may be shown to any legislator: **NO**

Drafter: **isagerro**

May Contact:

Addl. Drafters: **champra**

Subject: **Health - tobacco
State Finance - miscellaneous**

Extra Copies: **RAC**

Submit via email: **NO**

Requester's email:

Pre Topic:

No specific pre topic given

Topic:

Tobacco settlement endowment fund (RN161)

Instructions:

See Attached

Drafting History:

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Typed</u> | <u>Proofed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
|--------------|------------------------|---------------------|------------------------|----------------|----------------------------|----------------------------|-----------------|
| /? | isagerro 06/28/2001 | jdyer 06/29/2001 | | _____ | | | |
| /1 | | | pgreensl 06/29/2001 | _____ | lrb_docadmin 06/29/2001 | lrb_docadmin 06/29/2001 | |

2001 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-SB55)

Received: **06/28/2001**

Received By: **isagerro**

Wanted: **As time permits**

Identical to LRB:

For: **Spencer Black (608) 266-7521**

By/Representing: **Susan McMurray**

This file may be shown to any legislator: **NO**

Drafter: **isagerro**

May Contact:

Addl. Drafters: **champra**

Subject: **Health - tobacco
State Finance - miscellaneous**

Extra Copies: **RAC**

Submit via email: **NO**

Requester's email:

Pre Topic:

No specific pre topic given

Topic:

Tobacco settlement endowment fund (RN161)

Instructions:

See Attached

Drafting History:

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Typed</u> | <u>Proofed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
|--------------|----------------|-----------------|--------------|----------------|------------------|-----------------|-----------------|
| /? | isagerro | 1 6/29 jld | 6/29 pg. | 6/29 mike D | | | |

FE Sent For:

<END>

Assembly Democrat Budget Amendment Requests

Request number: 161

Agency: Tobacco securitization

Description: see attached

Contact: Susan McMurray, Rep. Black's office 266-7521 or at home at 249-1167

Please prepare an amendment to ASA 1 to SB 55 to incorporate the provisions of Rep. Urban's ARC motion relating to creating an endowment fund to which some \$250 million in proceeds from revenue bonds would be deposited. See attached.

1582

Budget Amendments 2001 - 2003

Prepared by the Assembly Republican Caucus

Statement of Intent Tobacco Control Board

Legislator Urban

Legislator 2

Legislator 3

Legislator 4

Staff contact Sara

Agency Tobacco Securitization

Summary Create an endowment fund to which approximately \$250 million* in proceeds from revenue bonds secured by the state's tobacco settlement payment revenues would be deposited. Earnings from the investment of the tobacco endowment would provide a permanent funding level of \$21 million per year (equal to current funding levels from JFC) for the Tobacco Control Board.

* Intent is to fund at current levels, exact amount would need to be figured using a conservative 8% estimation

Fiscal Impact No fiscal impact this biennium.

Staff Analyst Hughes

Amendment

Pass or Fall

Spending Cut

Withdrawn

W/P

Request

146

AAC
ASSEMBLY AMENDMENT,

JKL + RMnotrun

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2001 SENATE BILL 55

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 48, line 19: delete lines 19 and 20 and substitute:

3 "(4) If the state has not received in fiscal year 2002-03 at least \$15,345,100
4 under the tobacco".

5 2. Page 48, line 23: delete the material beginning with "in" and ending with
6 "agreement" on line 25.

7 3. Page 49, line 2: delete "the" and substitute "that".

8 4. Page 49, line 2: after that line insert:

9 (5m) The secretary shall transfer from the permanent endowment fund to the
10 Thomas T. Melvin tobacco control endowment fund an amount that equals
11 \$313,000,000, but only if the state has received from the sale of the state's right to
\$250,000,000 ✓ tobacco settlement ✓

Plaid
deleted
to amend

1 receive any of the payments under the tobacco settlement agreement the amount
2 that is required to fund the transfer under s. 20.855 (4) (rc).

3 (6) (a) 1. Subject to subd. 2., annually, beginning in the 2003–04 fiscal year, the
4 secretary shall transfer from the ~~Thomas T. Melvin tobacco control~~ endowment fund
5 to the tobacco control fund an amount that equals ~~\$1,000,000~~. ^{✓ 2} tobacco settlement ✓

6 2. If the transfer under subd. 1. would cause the balance in the ~~Thomas T.~~
7 ~~Melvin tobacco control~~ endowment fund to be less than ~~\$313,000,000~~, the secretary
8 shall reduce the amount of the transfer in subd. 1. to an amount that would cause
9 the balance in the ~~Thomas T. Melvin tobacco control~~ endowment fund to equal
10 ~~\$313,000,000~~. ^{✓ 2} ~~\$250,000,000~~ tobacco settlement ✓

11 (b) If the amount transferred under par. (a) is ~~\$1,000,000~~ and if the remaining
12 balance in the ~~Thomas T. Melvin tobacco control~~ endowment fund after the transfer
13 is greater than \$500,000,000, the secretary shall transfer the amount that exceeds
14 \$500,000,000 to the general fund.”

15 5. Page 369, line 2: after that line insert:

16 “SECTION 732t. 20.436 (1) (tc) of the statutes is amended to read:

17 20.436 (1) (tc) *Grants.* ~~As a continuing appropriation, the amounts in the~~
18 schedule All moneys transferred from the ~~Thomas T. Melvin tobacco control~~
19 endowment fund under s. 16.519 (6) (a) less the amounts appropriated under par.
20 (tb), for the purposes specified under s. 255.15 (3).”. ^{✓ 2} tobacco settlement ✓

21 6. Page 469, line 2: after that line insert:

22 “SECTION 1110g. 25.17 (1) (tg) of the statutes is created to read:

23 25.17 (1) (tg) ~~Thomas T. Melvin tobacco control~~ endowment fund (s. 25.92).”.

24 7. Page 470, line 13: after that line insert:

Tobacco settlement
=

CS ↓
TOBACCO SETTLEMENT
CS ↑

1 **"SECTION 1113r.** 25.183 (4) of the statutes is created to read:

2 25.183 (4) INVESTMENT OF ~~THOMAS T. MELVIN TOBACCO CONTROL~~ ENDOWMENT
3 FUND. The board may not invest any of the assets in the ~~Thomas T. Melvin tobacco~~
4 ~~control~~ *tobacco settlement* endowment fund in a parent company of a tobacco manufacturer or a
5 subsidiary of a tobacco manufacturer."

✓ tobacco settlement

6 **8.** Page 474, line 8: after that line insert:

7 **"SECTION 1136d.** 25.66 (1) (d) of the statutes is created to read:

8 25.66 (1) (d) All moneys transferred from the ~~Thomas T. Melvin tobacco control~~
9 endowment fund under s. 16.519 (6) (a)."

10 **9.** Page 474, line 16: delete the material beginning with "Beginning" and
11 ending with "if" and substitute "If".

12 **10.** Page 474, line 16: after "received" insert "in fiscal year 2002-03".

13 **11.** Page 474, line 17: delete the material beginning with "in that" and ending
14 with "thereafter".

15 **12.** Page 475, line 14: after "(rv)" insert "and to make the transfer under s.
16 16.519 (5m)".

17 **13.** Page 475, line 23: after "(rv)" insert "and to make the transfer under s.
18 16.519 (5m)".

19 **14.** Page 477, line 12: after that line insert:

20 **"SECTION 1145g.** 25.92 of the statutes is created to read:

21 **25.92** ~~Thomas T. Melvin tobacco control~~ endowment fund. There is
22 created a separate nonlapsible fund designated as the ~~Thomas T. Melvin tobacco~~

Tobacco settlement
↑
(B)

tobacco settlement
~~control~~

1 endowment fund, consisting of moneys transferred from the permanent
2 endowment fund under s. 16.519 (5m).”.

3 **15.** Page 1424, line 16: after that line insert:

4 “(2f) ~~THOMAS T MELVIN TOBACCO CONTROL~~ ENDOWMENT FUND. The treatment of
5 section 20.436 (1) (tc) of the statutes takes effect on July 1, 2003.”.

6 (END)

(CS) Tobacco settlement