



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-2413/3

TAY:cmh:km

1999 SENATE BILL 197

June 15, 1999 - Introduced by COMMITTEE ON HUMAN SERVICES AND AGING, by request of Attorney General James Doyle, American Cancer Society, Southern District, American Cancer Society, Midwest Division, American Heart Association, American Heart Association, Marathon County, American Heart Association, Sheboygan Division, American Lung Association, Wisconsin Education Association Council (WEAC), State Medical Society of Wisconsin, Aurora Health Care, Glaxo Welcome, Dean Health System, Children Hospital System, Medical College of Wisconsin, Marshfield Clinic, Wisconsin Public Health Association, March of Dimes Birth Defects Foundation, Wisconsin Nurses Association, Wisconsin Academy of Family Physicians, Wisconsin Grocers Association, Medical Associates Health Plans, Church Health Services, Wisconsin Association of Local Health Departments and Boards, Wisconsin Nursing Coalition, Association of Operating Room Nurses, Association of Women's Health, Obstetrics, and Neonatal Nurses, Milwaukee, District Nurses Association, 1199W/United Professionals for Quality Health Care/SEIU, Wisconsin Association of Licensed Practical Nurses, Wisconsin Association of Nurse Anesthetists, Wisconsin Association of Rehabilitation Nurses, Wisconsin Chapter of American College Nurse-Midwives, Wisconsin Federation of Nurses and Health Professionals, AFT, AFL-CIO, Wisconsin Society of Perianesthesia, Professional Fire Fighters of Wisconsin, Care Foundation, Inc., Children's Health System, Inc., Consortium for Primary Care in Wisconsin, Family and Sports Orthopedic Center, Ltd., Family Resource Center of Iowa County Inc., Franciscan Skemp Healthcare, Wisconsin Alcohol, Tobacco and Other Drug Education Network (WATODEN), Wisconsin Environmental Health Association (WEHA), Wisconsin Primary Health Care Association, YWCA of Waukesha, WI Alzheimer's Association Chapter Network, La Crosse Health Department, Confront Addiction Now, Ozaukee Council, Playful Kids Learning Center, Price County Health Department, Highland Dental Health, Wisconsin Indianhead Technical College - Superior Campus, Medical Associates of Beaver Dam - St. Mary's/Dean Ventures, CARE Foundation, Family and Sports Orthopedic Center, LLC, Beaver Dam, National Honor Society, Beaver Dam, St. Croix Department of Health and Human Services, Central States Occupational Medicine Association, Mercy Health System/Mercy Care Insurance Company, Medical Health Associates, Fond du Lac County Tobacco Control Coalition, Winnebago County Tobacco Free Coalition, Senators Robson, Roessler, Burke, Rosenzweig, Cowles, Wirch, Schultz, Darling, Grobschmidt, Risser, Clausing, Erpenbach, Huelsman, George and Shibilski, Representatives Urban, Bock, Riley, Walker, M. Lehman, Townsend, Handrick, Freese, Ott, Klusman, Morris-Tatum, Coggs, Young, Schoof, J. Lehman, Hebl, Miller, Turner, La Fave, Black, Hasenohrl, Richards, Carpenter, Plouff, Cullen, Reynolds, Boyle, Travis, Wasserman, Berceau, Meyerhofer, Schneider, Sinicki, Staskunas, Lassa, Meyer and Krusick. Referred to Committee on Human Services and Aging.

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1 **AN ACT to create** 15.77, 20.436, 25.17 (1) (tt), 25.66, 230.08 (2) (wy) and 255.15
2 of the statutes; **relating to:** creating a health trust fund and health trust board,
3 granting rule-making authority and making an appropriation.

Analysis by the Legislative Reference Bureau

In November 1998, Wisconsin and 45 other states entered into the Attorneys General Master Tobacco Settlement (settlement) with the tobacco industry, which requires tobacco companies to make payments to the states in perpetuity. Under the settlement, it is estimated that Wisconsin will receive a total of \$5.9 billion through 2025.

This bill directs that the first \$50 million received annually under the settlement be deposited into a segregated fund. Under the bill, moneys deposited into the fund may only be used for the costs associated with providing grants to organizations for activities related to smoking cessation and tobacco use reduction.

The bill also creates an independent board composed of the attorney general, two senators and two representatives of the assembly (one from each party in each house); the secretary of health and family services; the superintendent of public instruction; one physician with expertise in oncology, smoking cessation or public health; one student from the University of Wisconsin System; two high school students; five representatives of organizations that have as their primary organizational mission reducing the health or economic consequences of tobacco use or ameliorating the effects of tobacco use and reducing incidence of particular diseases or health conditions associated with tobacco use; one local health officer; and one person who is a minority group member.

The bill requires the board to develop a competitive grant program and to administer the grant program. Under the bill, the board must promulgate rules specifying criteria for receiving a grant, including performance standards for media-based projects for which grants are awarded.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 **SECTION 1.** 15.77 of the statutes is created to read:

5 **15.77 Health trust board.** (1) There is created a health trust board. The
6 health trust board shall consist of the following members:

7 (a) The attorney general or his or her designee.

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1 (b) One majority party senator, one minority party senator, one majority party
2 representative to the assembly and one minority party representative to the
3 assembly, appointed as are the members of standing committees in their respective
4 houses.

5 (c) The secretary of health and family services or his or her designee.

6 (d) The superintendent of public instruction.

7 (e) One physician with expertise in oncology, smoking cessation or public
8 health.

9 (f) One student from the University of Wisconsin System.

10 (g) Two high school students, including at least one minority student, as
11 defined in s. 39.40 (1).

12 (h) Five representatives of organizations that have as their primary
13 organizational mission reducing the health or economic consequences of tobacco use
14 or ameliorating the effects of tobacco use and reducing the incidence of particular
15 diseases or health conditions associated with tobacco use.

16 (i) One local health officer.

17 (j) One person who is a minority group member, as defined in s. 560.036 (1) (f).

18 **(2)** The members specified in sub. (1) (e) to (j) shall be appointed for 3-year
19 terms, except that if a student member appointed under sub. (1) (f) or (g) loses the
20 status upon which the appointment was based, he or she shall cease to be a member
21 of the health trust board.

22 **(3)** The board shall meet at least 4 times per year. Ten members constitute a
23 quorum. For the purpose of conducting business and exercising its powers, a
24 majority vote of the board is required.

SENATE BILL 197**SECTION 2**

1 **SECTION 2.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
2 the following amounts for the purposes indicated:

3				1999-00	2000-01
4	20.436 Tobacco health care board.				
5	(1) SMOKING CESSATION AND EDUCATION				
6	(a) General program operations	SEG	A	-0-	-0-
7	(b) Grants	SEG	B	-0-	-0-
8	(g) Gifts and grants	PR	C	-0-	-0-

9 **SECTION 3.** 20.436 of the statutes is created to read:

10 **20.436 Health trust board.** There is appropriated from the health trust fund
11 to the health trust board for the following programs:

12 (1) SMOKING CESSATION AND EDUCATION. (a) *General program operations.* The
13 amounts in the schedule for general program operations of the health trust board.

14 (b) *Grants.* Biennially, the amounts in the schedule for the purposes specified
15 under s. 255.15 (3).

16 (g) *Gifts and grants.* All moneys received from gifts, grants and donations for
17 the purposes specified under s. 255.15.

18 **SECTION 4.** 25.17 (1) (tt) of the statutes is created to read:

19 25.17 (1) (tt) Health trust fund (s. 25.66);

20 **SECTION 5.** 25.66 of the statutes is created to read:

21 **25.66 Health trust fund. (1) DEFINITION.** In this section, “board” means the
22 health trust board.

23 (2) **CREATION.** There is created a separate nonlapsible trust fund, known as the
24 health trust fund, to consist of the lesser of the following:

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1 (a) The first \$50,000,000 of the moneys received annually under the Attorneys
2 General Master Tobacco Settlement Agreement of November 23, 1998.

3 (b) The moneys received annually under the Attorneys General Master Tobacco
4 Settlement Agreement of November 23, 1998.

5 **(3) DISTRIBUTION.** Amounts in the fund may be distributed only for the purposes
6 specified in s. 20.436.

7 **SECTION 6.** 230.08 (2) (wy) of the statutes is created to read:

8 230.08 (2) (wy) The executive director and staff of the health trust board.

9 **SECTION 7.** 255.15 of the statutes is created to read:

10 **255.15 Health trust board. (1) DEFINITIONS.** In this section:

11 (a) "Board" means the health trust board under s. 15.77.

12 (b) "Tobacco settlement" means the Attorneys General Master Tobacco
13 Settlement Agreement of November 23, 1998.

14 **(2) DUTIES.** The board shall do all of the following:

15 (a) Appoint an executive director within the classified service who shall employ
16 staff within the classified service with appropriate programmatic and technical
17 expertise.

18 (b) Administer the grant program under sub. (3).

19 (c) Promulgate rules establishing criteria for recipients of grants awarded
20 under sub. (3), including performance-based standards for grant recipients that
21 propose to use the grant for media efforts. The board shall ensure that programs or
22 projects conducted under the grants are culturally sensitive.

23 (d) Provide a forum for the discussion, development, and recommendation of
24 public policy alternatives in the field of smoking cessation and prevention.

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1 (e) Provide a clearinghouse of information on matters relating to tobacco issues
2 and how they are being met in different places throughout the nation such that both
3 lay and professional groups in the field of government, health care and education
4 may have additional avenues for sharing experiences and interchanging ideas in the
5 formulation of public policy on tobacco.

6 **(3) GRANTS.** From the appropriation under s. 20.436 (1) (b), the board may
7 award grants to public and private organizations for any of the following:

8 (a) Tobacco use cessation and education programs.

9 (b) School-based tobacco use prevention programs.

10 (c) Marketing activities that promote tobacco use cessation and that decrease
11 the likelihood of initial tobacco use.

12 (d) Projects designed to reduce tobacco use among minorities and pregnant
13 women.

14 (e) Surveillance and evaluation of the prevalence of tobacco use and exposure
15 to environmental tobacco smoke among youth and adults.

16 (f) Development of public and private policies that restrict access to tobacco
17 products and reduce exposure to environmental tobacco smoke.

18 (g) Development of partnerships among businesses or other organizations and
19 communities to address the needs of and to educate specific populations that are
20 targeted by the tobacco industry.

21 (h) Scientific research on tobacco-related cancer prevention.

22 (i) Other activities that address tobacco-related issues.

23 **(4) REPORTS.** Not later than July 1, 2001, and annually thereafter, the board
24 shall submit to the governor and to the chief clerk of each house of the legislature for
25 distribution under s. 13.172 (2) a report that evaluates the success of the grant

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1 program under sub. (3). The report shall specify the number of grants awarded
2 during the immediately preceding fiscal year and the purpose for which each grant
3 was made. The report shall also specify donations and grants accepted by the board
4 under sub. (5).

5 (5) FUNDS. The board may accept for any of its purposes any donations and
6 grants of money, equipment, supplies, materials and services from any person. The
7 board shall include in the report under sub. (4) any donation or grant accepted by the
8 board under this subsection, including the nature, amount and conditions, if any, of
9 the donation or grant and the identity of the donor.

10 (6) SUBCOMMITTEES. The board may create subcommittees to assist in its work.
11 If the board creates subcommittees, one of the subcommittees shall address the issue
12 of populations most adversely affected by tobacco.

13 **SECTION 9158. Nonstatutory provisions; other.**

14 (1) HEALTH TRUST BOARD. Notwithstanding section 15.77 (2) of the statutes, as
15 created by this act, 4 of the initial members of the health trust board appointed under
16 section 15.77 (1) (e) to (j) of the statutes, as created by this act, shall serve for terms
17 expiring on May 1, 2003; 3 of the initial members of the health trust board appointed
18 under section 15.77 (1) (e) to (j) of the statutes, as created by this act, shall serve for
19 terms expiring on May 1, 2002; and 4 of the initial members of the health trust board
20 appointed under section 15.77 (1) (e) to (j) of the statutes, as created by this act, shall
21 serve for a term expiring on May 1, 2001.

22 **SECTION 9458. Effective dates; other.**

23 (1) HEALTH TRUST FUND. This act takes effect on the day after publication of the
24 1999-2001 biennial budget act.

25

(END)