

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	9 - 0 - 0
Yeas:	Clem, Conger, Harker, Kennemer, Keny-Guyer, Lively, Thompson, Weidner, Greenlick
Nays:	0
Exc.:	0
Prepared By:	Tyler Larson, Administrator
Meeting Dates:	2/18, 4/15

WHAT THE MEASURE DOES: Requires Department of Administrative Services transfer funds from Tobacco Settlement Funds Account to Oregon Opportunity Fund and Oregon Health and Science University Bond Administrative Fund before July 1 of each odd-numbered year. Requires 90 percent of remaining funds be transferred to Oregon Health Authority Fund to be used for health care initiatives. Requires final 10 percent be transferred to Tobacco Use Reduction Account. Applies to funds received on or after January 1, 2014. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Public health impact of tobacco use
- Current use of MTSA-spell out funds

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: The Tobacco Master Settlement Agreement (TMSA) was entered in 1998 and settled lawsuits from 46 states against major tobacco companies which sought recovery of their tobacco-related health care costs. The settlement required payments in perpetuity to states to compensate for ongoing costs. Proponents assert that the original purpose of the TMSA is compensating Oregon for taxpayer money spent on tobacco-related diseases, reducing tobacco use and educating children on the dangers of tobacco use.

House Bill 2136-A allows for the transfer of MTSA funds to Department of Justice and Oregon Health and Science University, then allocates 90 percent of the remainder to fund health initiatives in the Oregon Health Authority and the final 10 percent to the Tobacco Use Reduction Account to for tobacco cessation and prevention programs.

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This summary has not been adopted or officially endorsed by action of the committee.