

**HB 5039**

**Tobacco Settlement Funds Account**

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HB 5039 authorizes the transfer of Tobacco Master Settlement Funds.

Revenues received by Oregon resulting from the Master Settlement Agreement between major tobacco companies and 46 states reached in 1998 are deposited to the Tobacco Settlement Funds Account. Based on this bill, the Department of Administrative Services will transfer \$30.9 million from the Tobacco Settlement Funds Account to pay debt service on the OHSU Oregon Opportunity Bonds.

After the debt service transfer has been satisfied, DAS will transfer funding to the Department of Justice for tobacco enforcement, and make the following transfers:

- \$101.8 million to the Oregon Health Authority for expenses of the Oregon Health Plan
- \$16 million to the Oregon Health Authority for community mental health programs
- \$4.1 million to the Oregon Health Authority for tobacco prevention and cessation programs
- \$4.1 million to the Oregon Department of Education for physical education-related grants

The Other Funds expenditure limitations for the revenues transferred in this bill are contained in agency budget bills.

The Capital Construction Subcommittee recommends HB 5039 be amended by the -1 amendment and be reported out do pass, as amended.