

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1772

S.P. 690

In Senate, April 24, 2025

**An Act to Implement the Recommendations of the Blue Ribbon
Commission to Design a Plan for Sustained Investment in
Preventing Disease and Improving the Health of Maine
Communities**

Reference to the Committee on Health and Human Services suggested and ordered printed.

A handwritten signature in black ink, appearing to read "D M Grant", is positioned above the printed name of the Secretary of the Senate.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator BENNETT of Oxford.
Cosponsored by Representative DUCHARME of Madison and
Senator: ROTUNDO of Androscoggin, Representative: GRAHAM of North Yarmouth.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §12004-G, sub-§14-K is enacted to read:

14-K.

<u>Health</u>	<u>Trust for a Healthy Maine</u>	<u>Expenses Only</u>	<u>22 MRSA</u>
	<u>Board</u>		<u>\$1515</u>

Sec. 2. 22 MRSA c. 260-A, sub-c. 1 is enacted by adding before section 1511 the following to read:

SUBCHAPTER 1

FUND FOR A HEALTHY MAINE

Sec. 3. 22 MRSA §1511, sub-§2, as enacted by PL 1999, c. 401, Pt. V, §1, is amended to read:

2. Sources of fund. The State Controller shall credit to the fund:

A. ~~All~~ If the Trust for a Healthy Maine established in section 1515 is eliminated or dissolved, all money received by the State in settlement of or in relation to the lawsuit State of Maine v. Philip Morris, et al., Kennebec County Superior Court, Docket No. CV-97-134;

B. Money from any other source, whether public or private, designated for deposit into or credited to the fund; and

C. Interest earned or other investment income on balances in the fund;

D. Money received from the cigarette tax pursuant to Title 36, section 4381;

E. Money received from the tax on tobacco products pursuant to Title 36, section 4403;
and

F. If the Trust for a Healthy Maine established in section 1515 is eliminated or dissolved, all money transferred from the trust to the fund.

Sec. 4. 22 MRSA §1511, sub-§6, ¶A, as enacted by PL 1999, c. 401, Pt. V, §1, is repealed.

Sec. 5. 22 MRSA §1511, sub-§9, as enacted by PL 2001, c. 714, Pt. OO, §1, is amended to read:

9. Working capital advance. Beginning July 1, 2003 If the Trust for a Healthy Maine established in section 1515 is eliminated or dissolved, the State Controller is authorized to provide an annual advance up to \$37,500,000 from the General Fund to the fund to provide money for allocations from the fund. This money must be returned to the General Fund as the first priority from the amounts credited to the fund pursuant to subsection 2, paragraph A.

Sec. 6. 22 MRSA c. 260-A, sub-c. 2 is enacted to read:

SUBCHAPTER 2

1 **TRUST FOR A HEALTHY MAINE ACT**

2 **§1513. Short title**

3 This subchapter may be known and cited as "the Trust for a Healthy Maine Act."

4 **§1514. Definitions**

5 As used in this subchapter, unless the context otherwise indicates, the following terms
6 have the following meanings.

7 **1. Administrative costs.** "Administrative costs" means staffing, overhead and related
8 operational costs, including costs for a coordinator, professional assistance and bond
9 premiums, incurred by the trust in carrying out its duties under this subchapter.

10 **2. Board.** "Board" means the Trust for a Healthy Maine Board established under Title
11 5, section 12004-G, subsection 14-K.

12 **3. Community health worker.** "Community health worker" means a person who
13 provides outreach and public health services to a social group using the person's
14 understanding of the experiences, socioeconomic needs, language or culture of that social
15 group.

16 **4. Community resilience.** "Community resilience" means the capacity of individuals,
17 communities, institutions, businesses and systems within a community to survive, adapt
18 and grow no matter what kinds of chronic stresses and acute shocks they experience.

19 **5. Coordinator.** "Coordinator" means the coordinator of the Trust for a Healthy
20 Maine under section 1519, subsection 2.

21 **6. Designated agent.** "Designated agent" means an entity with which the department
22 has entered an agency relationship for the purpose of applying for federal funds to support
23 public health research and programming and that is authorized by the Federal Government
24 to receive those funds.

25 **7. Disbursement.** "Disbursement" means a decision of the trust governing how
26 settlement funds and other funds in the trust are to be distributed by the trust for the
27 purposes set forth in this subchapter.

28 **8. Extraordinary receipts.** "Extraordinary receipts" means funds received by the trust
29 pursuant to section 1516, subsection 1, paragraph B or C.

30 **9. Health equity.** "Health equity" means the attainment of the highest level of health
31 for any social group in this State, regardless of whether a social group is subject to a
32 structural inequity.

33 **10. Medical care.** "Medical care" means direct health care, including but not limited
34 to care provided under the MaineCare program and the elderly low-cost drug program
35 under section 254-D. "Medical care" does not include treatments provided under the
36 Tobacco Prevention and Control Program established in section 272 or the delivery of
37 preventive health screenings or services in a school setting.

38 **11. Settlement funds.** "Settlement funds" means any money received by the State or
39 any component of the State in settlement of or in relation to the lawsuit *State of Maine v.*
40 *Philip Morris, et al.*, Kennebec County Superior Court, Docket No. CV-97-134.

1 **12. Social determinants of health.** "Social determinants of health" means the
2 conditions in which individuals are born, grow, live, work and age, as well as the social
3 structures and economic systems that shape these conditions, including the social
4 environment, physical environment and health services.

5 **13. Social group.** "Social group" means a group of individuals in this State that share
6 similar social, economic, demographic, geographic or other characteristics, including but
7 not limited to race, ethnicity, gender, gender identity, sexual orientation, class, location,
8 age or disability.

9 **14. State health plan.** "State health plan" means the most recent plan for improving
10 public health and health equity prepared by the Maine Center for Disease Control and
11 Prevention for accreditation by a nonprofit public health accreditation board dedicated to
12 advancing the continuous quality improvement of tribal, state, local and territorial health
13 departments or any successor plan identified by the Maine Center for Disease Control and
14 Prevention.

15 **15. Structural inequity.** "Structural inequity" means the systemic disadvantage of one
16 social group in the State compared to other social groups in the State as a result of law,
17 policy, culture or other social structure, including but not limited to poverty, discrimination,
18 powerlessness or access to job opportunities, quality education, housing or health care.

19 **16. Systemic racism.** "Systemic racism" means the laws and institutionalized policies,
20 practices or social structures that maintain and perpetuate domination by and advantages
21 for the race that is socially constructed as being white to the detriment of or with the purpose
22 of imposing influence or control over any other race that is socially constructed to be non-
23 white, including through color-blind discourse or derogatory and inaccurate stereotypes.

24 **17. Trust.** "Trust" means the Trust for a Healthy Maine established in section 1515,
25 subsection 1.

26 **18. Trustee.** "Trustee" means a member of the board.

27 **19. Trust fund.** "Trust fund" means the Trust for a Healthy Maine Trust Fund
28 established in section 1520-E, subsection 1.

29 **§1515. Trust for a Healthy Maine; Trust for a Healthy Maine Board**

30 **1. Establishment; purposes.** The Trust for a Healthy Maine is established for the
31 purposes of receiving all settlement funds and other funds, redistributing that money to
32 state agencies or designated agents of the State to fund tobacco use prevention and control
33 at levels recommended by the United States Department of Health and Human Services,
34 Centers for Disease Control and Prevention and to ensure adequate resources for other
35 disease prevention efforts and promoting public health. The purposes of the trust also
36 include supporting state agencies in planning and delivering public health and prevention
37 programs and services, supporting accreditation of the Maine Center for Disease Control
38 and Prevention and supporting public health workforce development. The trust also
39 provides public health expertise and evidence-based information to the Legislature.

40 **2. Governance; board.** The trust is created as a body corporate and politic and a
41 public instrumentality of the State and is governed by the Trust for a Healthy Maine Board
42 in accordance with this subchapter.

1 **3. Trustees; appointment.** The board consists of 15 trustees in accordance with this
2 subsection. A person associated with the sale of tobacco products, as defined in section
3 1551, subsection 3, or the alcohol or cannabis industry is not eligible to serve as a trustee.

4 A. The Director of the Maine Center for Disease Control and Prevention within the
5 department or the director's designee serves as an ex officio voting trustee.

6 B. The Governor shall appoint 3 trustees in accordance with this paragraph:

7 (1) A person who has clinical expertise or public health expertise, or both, in the
8 science and prevention of addiction as a brain disease, selected from
9 recommendations provided by a statewide organization dedicated to supporting
10 physicians, advancing the quality of medicine and promoting the health of citizens
11 in the State;

12 (2) A person who has experience recruiting, employing, developing and retaining
13 a healthy workforce; and

14 (3) A person who has experience as a member of an advisory board of a local
15 community health coalition, selected from recommendations provided by a
16 statewide network of community coalitions working to enhance physical, social,
17 emotional, environmental and economic health in the State.

18 C. The Governor shall appoint 11 trustees, one trustee from nominations made under
19 each of the divisions described below.

20 (1) The President of the Senate shall, for each of the following 3 appointments,
21 submit to the Governor 3 names for consideration:

22 (a) A person who has expertise in epidemiology and infectious disease or in
23 hospital-based prevention, screening and early prevention of infectious
24 disease, selected from recommendations provided by the integrated health care
25 delivery systems in the State and by a statewide hospital organization that
26 provides advocacy, information and education in its mission to improve the
27 health of patients and communities;

28 (b) A person who has clinical expertise or public health expertise, or both, in
29 rural primary care or rural oral health care, selected from recommendations
30 provided by a statewide organization that represents community health centers
31 in the State; and

32 (c) A person who has expertise in systemic racism and structural inequity and
33 is serving on the Permanent Commission on the Status of Racial, Indigenous
34 and Tribal Populations, in accordance with Title 5, section 25002.

35 (2) The Speaker of the House of Representatives shall, for each of the following 2
36 appointments, submit to the Governor 3 names for consideration:

37 (a) A person who has expertise in public health policy related to the leading
38 causes of chronic disease, selected from recommendations provided by a
39 statewide, nonprofit organization that promotes a healthy state through
40 advocacy, education, community connection and coalition-building; and

41 (b) A person who has expertise in preventing the use of tobacco products and
42 other addictive substances by youth and young adults.

(3) The member of the Senate who is the leader of the party with the 2nd-largest number of members in the Senate shall, for each of the following 2 appointments, submit to the Governor 3 names for consideration:

(a) A person who has expertise in trauma, community resilience and social determinants of health, selected from recommendations provided by a statewide network dedicated to building community strengths and reducing the effects of trauma; and

(b) A person who represents a statewide association of public health professionals.

(4) The member of the House of Representatives who is the leader of the party with the 2nd-largest number of members in the House shall, for each of the following 2 appointments, submit to the Governor 3 names for consideration:

(a) A person who is employed as a member of the senior staff or faculty in a public health academic program; and

(b) A person who has expertise in maternal and child health issues, including early childhood education and out-of-school child care, or school-based health.

(5) The chiefs of the 4 federally recognized Indian tribes in the State shall, for each of the following 2 appointments, submit to the Governor 3 names for consideration:

(a) A person who has expertise in environmental health; and

(b) A person who has expertise in health equity or health disparity issues.

The trustees appointed pursuant to paragraphs B and C must be reviewed by the joint standing committee of the Legislature having jurisdiction over public health matters and approved by the Senate.

4. Terms; vacancies. Trustees serve 3-year terms. Trustees may serve no more than 3 consecutive terms. A trustee shall serve on the board until a replacement is appointed and qualified. If a trustee is unable to complete a term, the Governor shall consult with the board and, within 30 days of the start of the vacancy, appoint a replacement for the remainder of the unexpired term. The replacement trustee must hold the same qualifications, set forth in subsection 3, as those of the departing trustee.

5. Chair; officers. The board shall elect a chair, a vice-chair, a secretary and a treasurer from among the trustees. Each officer serves a one-year term in that office and is eligible for reelection.

6. Meetings; quorum. The board shall meet at least 4 times each year at regular intervals and may meet at other times at the call of the chair or the Governor. A majority of the trustees constitutes a quorum. Meetings of the board are public proceedings as provided by Title 1, chapter 13, subchapter 1. Notwithstanding any provision of Title 1, chapter 13, subchapter 1 to the contrary, a trustee who is not physically present may participate by telephone or other remote-access technology in accordance with procedures established by the board.

7. Election of subcommittees. The board may elect an executive committee of not fewer than 5 trustees who, between meetings of the board, may transact such business of the trust as the board authorizes. The board may also elect a planning committee.

1 **8. Liaison to Legislature.** The chair is the trust's liaison to the joint standing
2 committee of the Legislature having jurisdiction over public health matters.

3 **9. Advisory groups.** The board may establish advisory groups as needed to gather
4 technical knowledge on any aspect of public health policy, infrastructure or funding
5 disbursement and to make recommendations to the board. Advisory groups may include
6 persons who are not trustees.

7 **10. Removal of trustee for disciplinary reasons.** The board shall develop the process
8 of removal and replacement of trustees for disciplinary reasons.

9 **11. Expenses; reimbursement.** Trustees are not entitled to compensation for service
10 on the board, except that, in accordance with Title 5, section 12004-G, subsection 14-K,
11 the trust may reimburse travel and other board-related expenses.

12 **12. Fiduciary duties.** A trustee has a fiduciary duty to the people of the State in the
13 administration of the trust. Upon accepting appointment as a trustee, each trustee shall
14 acknowledge the fiduciary duty to use the trust fund only for the purposes set forth in this
15 subchapter. It is the duty of each trustee to ensure that the purposes of the trust set forth in
16 this subchapter are fulfilled.

17 **13. Conflict of interest.** A trustee is deemed to be an executive employee for purposes
18 of Title 5, sections 18, 18-A and 19. In the operation or dissolution of the trust, a trustee,
19 employee of the trust, officer of the trust or a spouse or dependent child of any of those
20 individuals may not receive any direct personal benefit from the activities of the trust,
21 except that the trust may pay reasonable compensation for services rendered and otherwise
22 hold, manage and dispose of the trust's property in furtherance of the purposes of the trust.
23 This subsection does not prohibit corporations or other entities with which a trustee is
24 associated by reason of ownership or employment from participating in activities funded
25 directly or indirectly by the trust if that ownership or employment is made known to the
26 board and the trustee abstains from all matters directly relating to that participation
27 immediately upon discovery of the association.

28 **§1516. Powers and duties; reporting**

29 **1. Powers.** The board may:

30 A. Receive all settlement funds;

31 B. Receive money from any other source, whether public or private, designated for
32 deposit into or credited to the trust;

33 C. Receive funds transferred from the Fund for a Healthy Maine under subchapter 1;

34 D. Disburse funds through funding disbursement plans under section 1517; and

35 E. Make recommendations to the Governor, the Legislature and other public officials
36 regarding improving public health outcomes and promoting public health awareness
37 and understanding.

38 **2. Duties.** The board shall:

39 A. Administer the trust and the trust fund;

40 B. Promote the visibility and understanding of public health issues among children
41 and adults;

1 C. Participate in the development and promotion of a state health plan by the Maine
2 Center for Disease Control and Prevention or another planning entity and provide
3 funding for the planning process, if necessary;

4 D. Promote multilevel planning and coordination that includes state, district,
5 community and municipal decision-making and advisory boards; and

6 E. Take other actions necessary and appropriate to fulfill the purposes of this
7 subchapter.

8 **3. Reporting.** The board shall submit a report by January 1, 2026, and by January 1st
9 of each year thereafter, to the joint standing committee of the Legislature having
10 jurisdiction over health and human services matters and to the joint standing committee of
11 the Legislature having jurisdiction over appropriations and financial affairs. The report
12 must describe the activities of the board and the trust and must include information
13 regarding the following:

14 A. Management of the trust fund;

15 B. Administrative costs;

16 C. An accounting of the funding disbursement plan under section 1517, including
17 identification of recipients, activities and amounts disbursed;

18 D. Coordination of activities with state agencies, including the Maine Center for
19 Disease Control and Prevention, and the state health plan;

20 E. Performance data and consideration of returns on investments; and

21 F. Other information required by the joint standing committees.

22 **§1517. Funding disbursement plan**

23 **1. Funding disbursement plan.** By December 31, 2025 and every year thereafter,
24 the board shall develop and approve a funding disbursement plan to disburse settlement
25 funds and other funds it may hold or receive in the subsequent biennium. The funding
26 disbursement plan must advance the purposes of this subchapter and be based on the most
27 recent state health plan and the most recent data available to the board.

28 **2. Input from interested parties.** Prior to adopting a funding disbursement plan
29 pursuant to subsection 1 or substantially amending an existing funding disbursement plan,
30 the trust shall hold at least one public hearing to receive input from interested parties,
31 including but not limited to the Maine Center for Disease Control and Prevention, other
32 state agencies, organizations engaged in smoking cessation and public health efforts, other
33 nongovernmental organizations, interested stakeholders, patients and members of the
34 public. The board shall establish the procedure and timelines for seeking input from
35 interested parties. The board shall also determine what circumstances, consistent with this
36 subsection, would require the board to initiate a public hearing. When considering the
37 input of interested parties, the trust shall consider principles of zero-based budgeting, as
38 defined in Title 35-A, section 102, subsection 25, and long-term returns on investment.

39 **3. Funding disbursement plan approval.** A funding disbursement plan approved by
40 the board may not disburse funds for the purpose of providing medical care except as
41 provided in subsection 7. When approving elements of the funding disbursement plan, the
42 board shall consider funding levels in the most recent fiscal year and disburse funding in

1 amounts that minimize disruption of existing programs and ensure smooth and efficient
2 transitions to the funding levels required under subsection 4.

3 **4. Designated disbursements.** Each funding disbursement plan approved by the
4 board must disburse funds in accordance with the following designated disbursements:

5 A. An amount that, when combined with amounts from other funding sources received
6 by the Maine Center for Disease Control and Prevention, yields a total amount
7 available for purposes of providing evidence-based tobacco prevention and control
8 programs in the State that is in accordance with the following:

9 (1) In fiscal year 2025-26, at least 70% of the level recommended by the United
10 States Department of Health and Human Services, Centers for Disease Control and
11 Prevention must be disbursed to the Maine Center for Disease Control and
12 Prevention or its designated agent; and

13 (2) In fiscal year 2026-27 and in subsequent years, at least the level recommended
14 by the United States Department of Health and Human Services, Centers for
15 Disease Control and Prevention must be disbursed to the Maine Center for Disease
16 Control and Prevention or its designated agent;

17 B. An amount of the settlement funds received in the previous fiscal year must be
18 disbursed to the Office of the Attorney General in accordance with the following:

19 (1) In fiscal year 2025-26, an amount equal to 0.6% of the settlement funds; and

20 (2) In fiscal year 2026-27 and in subsequent years, an amount equal to the amount
21 the Office of the Attorney General received in accordance with subparagraph (1)
22 adjusted by the Chained Consumer Price Index, as defined in Title 36, section
23 5402, subsection 1, except that the date the State Tax Assessor determines the cost-
24 of-living adjustment is on or about September 15th of each year, beginning in 2024,
25 and "cost-of-living adjustment" means the Chained Consumer Price Index for the
26 12-month period ending June 30th of the preceding calendar year divided by the
27 Chained Consumer Price Index for the 12-month period ending June 30, 2024. The
28 State Tax Assessor shall calculate the cost-of-living adjustment under this
29 subparagraph;

30 C. An amount of the settlement funds received in the previous fiscal year must be
31 disbursed to the administration fund established pursuant to section 1519, subsection 1
32 in accordance with the following:

33 (1) In fiscal year 2025-26, an amount equal to 0.6% of the settlement funds; and

34 (2) In fiscal year 2026-27 and in subsequent years, an amount equal to the amount
35 the administration fund received in accordance with subparagraph (1) adjusted by
36 the Chained Consumer Price Index, as defined in Title 36, section 5402, subsection
37 1, except that the date the State Tax Assessor determines the cost-of-living
38 adjustment is on or about September 15th of each year, beginning in 2025, and
39 "cost-of-living adjustment" means the Chained Consumer Price Index for the 12-
40 month period ending June 30th of the preceding calendar year divided by the
41 Chained Consumer Price Index for the 12-month period ending June 30, 2025. The
42 State Tax Assessor shall calculate the cost-of-living adjustment under this
43 subparagraph;

1 D. An amount not to exceed 5% of the settlement funds received in the previous fiscal
2 year, plus any extraordinary receipts, may be disbursed to the internal stabilization
3 account established in subsection 6;

4 E. An amount not to exceed 5% of the settlement funds received in the previous fiscal
5 year may be disbursed to the internal flexible account established in subsection 7; and

6 F. The funds remaining, including any extraordinary receipts, after making the
7 disbursements required by paragraphs A to C and authorized by paragraphs D and E
8 must be disbursed to the health equity and health improvement account established in
9 subsection 5.

10 Except as provided in subsection 7 for the first funding disbursement plan, the designated
11 disbursements approved by the board may not disburse settlement funds for the purpose of
12 providing medical care.

13 **5. Health equity and health improvement account.** A health equity and health
14 improvement account is established and funded with settlement funds in accordance with
15 subsection 4, paragraph F.

16 A. The funding disbursement plan approved by the board must disburse funds from the
17 health equity and health improvement account to prioritize the advancement of health
18 equity and the elimination of structural inequity. For fiscal year 2025-26, the funding
19 disbursement plan must disburse an amount equal to or greater than 15% of the funds
20 in the health equity and health improvement account. For fiscal year 2026-27 and
21 subsequent years, the funding disbursement plan must disburse an amount equal to or
22 greater than 20% of the funds in the health equity and health improvement account.
23 Funds disbursed in accordance with this paragraph must be distributed to achieve all
24 or some of the following:

25 (1) Improving data collection, analysis and reporting, particularly for, among and
26 led by populations experiencing health disparities, which includes social
27 determinants of health, community resilience, racial impacts and health equity;

28 (2) Enhancing health improvement and health equity planning at the local, district
29 and state levels that addresses and confronts systemic racism and structural
30 inequity;

31 (3) Supporting public-private partnerships at the local and district levels, including
32 comprehensive community health coalitions, as defined in section 411, subsection
33 2, and organizations that prioritize health equity and derive meaningful leadership
34 from the communities they serve;

35 (4) Supporting the development, expansion, recruitment, retention and presence of
36 the public health workforce at local, district and state levels, including supporting
37 a robust network of community health workers and government employees in the
38 State dedicated to addressing systemic racism and structural inequity; and

39 (5) Providing training and technical assistance for local health officers, boards of
40 health, community and municipal leaders, community organizations, community
41 partnerships and other organizations providing public health services or serving
42 the functions of the State's public health and safety system.

1 B. Funds remaining in the health equity and health improvement account after the
2 disbursements required in paragraph A must be for state entities or their designated
3 agents that, in the board's sole determination, will use the funds efficiently and
4 effectively to promote the purposes of this subchapter, implement evidence-based
5 prevention and screening strategies to address the priorities of the state health plan,
6 support efforts by the Maine Center for Disease Control and Prevention to prevent
7 disease and promote public health and implement strategies for building and sustaining
8 public health capacity and infrastructure at the state and local levels. These funds may
9 not be disbursed for the purpose of providing medical care.

10 **6. Internal stabilization account.** An internal stabilization account is established
11 within the trust. In order to prevent disruptions from year to year in the amounts disbursed
12 pursuant to designated disbursements under subsection 4 and to ensure continuity in the
13 event of fluctuations in the amount of settlement funds received by the State, the board may
14 draw upon the internal stabilization account to make additional disbursements. The trust
15 may not cause the balance in the internal stabilization account at any one time to exceed
16 the amount of settlement funds received by the trust in the most recent year. The funds
17 within the internal stabilization account are nonlapsing and carry forward from year to year
18 for future use consistent with this subsection and do not revert to the trust fund.

19 **7. Internal flexible account.** An internal flexible account is established within the
20 trust. The funds in the internal flexible account may be drawn upon by the board for the
21 purpose of rapidly addressing emerging public health threats, promptly implementing
22 innovative promising practices or addressing other immediate unmet needs identified by
23 the board in the period between approval of funding disbursement plans, consistent with
24 the purposes of this subchapter. Trustees shall consult regularly with the commissioner
25 regarding emerging funding needs. If the biennial or supplemental budget enacted for fiscal
26 year 2025-26 appropriates less than \$2,400,000 from the General Fund to the elderly low-
27 cost drug program under section 254-D, the board shall disburse in its first funding
28 disbursement plan an amount from the internal flexible account to the elderly low-cost drug
29 program under section 254-D that when added to the General Fund appropriation to that
30 program for that fiscal year totals \$2,400,000. The internal flexible account may not
31 otherwise be used to fund medical care. Year-end balances remaining in the internal
32 flexible account lapse to the trust fund and are available for a subsequent year's funding
33 disbursement plan.

34 **8. Informational copies of funding disbursement plans.** Upon final approval by the
35 board of a funding disbursement plan, the trust shall transmit informational copies of the
36 funding disbursement plan to the Governor and to the joint standing committee of the
37 Legislature having jurisdiction over public health matters. A funding disbursement plan
38 does not require approval of the Governor or the joint standing committee of the Legislature
39 having jurisdiction over public health matters.

40 **9. Audit.** The trust must be audited at least annually by an independent certified public
41 auditor. A copy of the audit must be provided to the Governor and to the joint standing
42 committee of the Legislature having jurisdiction over public health matters.

43 **§1518. Restrictions; construction**

44 The trust's activity is restricted to receiving and disbursing funds and any actions
45 necessary and appropriate to receive and disburse funds. The trust may not create, manage

1 or operate public health or health delivery programs. This subchapter may not be construed
2 to empower the trust to direct, manage or oversee any program, fund or activity of any
3 other state agency.

4 **§1519. Administration**

5 **1. Administration fund.** The board shall establish an administration fund to be used
6 solely to defray administrative costs approved by the board or the coordinator. The trust
7 may annually deposit funds authorized to be used for administrative costs under this
8 subchapter into the administration fund. Any interest on funds in the administration fund
9 must be credited to the administration fund, and any funds unspent in any fiscal year carry
10 forward and remain in the administration fund to be used to defray administrative costs. In
11 any year, the board may not disburse to the administration fund an amount greater than the
12 amount allowed pursuant to section 1517, subsection 4, paragraph C. The board may also
13 use the administration fund to contract for reasonable professional assistance to help review
14 input received from interested parties, to develop the funding disbursement plan under
15 section 1517 and to allow the board to fulfill its responsibilities under this subchapter. The
16 board shall define the roles and responsibilities of any professional assistance in accordance
17 with this subsection.

18 **2. Coordinator.** The board shall appoint, using a competitive search process, a
19 qualified full-time coordinator of the trust. The coordinator serves at the pleasure of the
20 board. The coordinator must have demonstrated experience in research and analysis of
21 public health issues, coordination of public health programs or administrative support of a
22 board in the public health sector or public health finance or policy or closely related
23 experience. The coordinator shall assist the board in gathering and disseminating
24 information, preparing for meetings, analyzing public health issues at the direction of the
25 board, communicating with stakeholders, writing reports and such other board support and
26 administrative functions as the board may assign. The board shall establish the rate and
27 amount of compensation of the coordinator. The coordinator may exercise any powers
28 lawfully delegated to the coordinator by the board.

29 **3. Bylaws.** The board shall adopt bylaws for the governance of its affairs consistent
30 with this subchapter.

31 **4. Coordination with other entities.** Consistent with the requirements of this
32 subchapter and other applicable law, the board shall coordinate the development of its
33 funding disbursement plans with the Statewide Coordinating Council for Public Health,
34 established under Title 5, section 12004-G, subsection 14-G, and other state agencies and
35 authorities the missions of which relate to the purposes of this subchapter, in order to
36 minimize inefficiency and duplication and to ensure consistency and effectiveness.
37 Notwithstanding any provision of law to the contrary, upon request of the trust and upon
38 the approval of the commissioner or director of the state agency receiving the request, other
39 state agencies, officials and employees shall cooperate and assist in the administration of
40 the trust as needed to further the purposes of this subchapter.

41 **5. Recommendations.** The trust may receive and shall consider any recommendations
42 made by the Governor, other state agencies, the joint standing committee of the Legislature
43 having jurisdiction over public health matters and other interested entities and individuals.

44 **§1520. Rulemaking**

1 The trust shall adopt rules regarding establishing and administering the trust, receiving
2 public input and developing and approving funding disbursement plans. Rules adopted
3 pursuant to this section are routine technical rules pursuant to Title 5, chapter 375,
4 subchapter 2-A.

5 **§1520-A. Legislative oversight**

6 The trust is subject to the oversight of the joint standing committee of the Legislature
7 having jurisdiction over public health matters.

8 **§1520-B. Construction by court**

9 The court shall liberally construe this subchapter to give the greatest possible effect to
10 the powers and duties accorded to the trust.

11 **§1520-C. Freedom of access; confidentiality**

12 The proceedings of the board and records of the trust are subject to the Freedom of
13 Access Act.

14 **§1520-D. Liability**

15 **1. Bond.** All officers, trustees, employees and other agents of the trust entrusted with
16 the custody of funds of the trust or authorized to disburse the funds of the trust must be
17 bonded either by a blanket bond or by individual bonds with a minimum of \$100,000
18 coverage for each person, or equivalent fiduciary liability insurance, conditioned upon the
19 faithful performance of their duties. The premiums for the bond or bonds are administrative
20 costs of the trust.

21 **2. Indemnification.** Each trustee must be indemnified by the trust against expenses
22 actually and necessarily incurred by the trustee in connection with the defense of any action
23 or proceeding in which the trustee is made a party by reason of being or having been a
24 trustee and against any final judgment rendered against the trustee in that action or
25 proceeding.

26 **§1520-E. Trust for a Healthy Maine Trust Fund**

27 **1. Establishment.** The Trust for a Healthy Maine Trust Fund is established as a
28 nonlapsing fund administered exclusively by the trust solely for the purposes established
29 in this subchapter.

30 **2. Tobacco settlement funds.** Notwithstanding any provision of law to the contrary,
31 the State Controller shall credit to the trust fund all settlement funds immediately upon
32 receipt by the State.

33 **3. Administration of trust fund.** The trust fund may not be used for any purposes
34 other than those set forth in this subchapter, and money in the trust fund is held in trust for
35 the purposes of this subchapter. All money received by the trust must be deposited in the
36 trust fund for distribution by the trust in accordance with this subchapter. The trust is
37 authorized to receive settlement funds and may also seek and accept funding from other
38 public or private sources if the trust determines that such acceptance advances the purposes
39 of this subchapter. Any balance in the trust fund not spent in any fiscal year does not lapse
40 but must carry forward in the trust fund and be available to be used immediately for the
41 purposes of this subchapter, upon the sole direction of the trust. Any interest or investment
42 income earned by the trust fund must be credited to the trust fund. The trust may use the

1 administrative services of the Department of Administrative and Financial Services for the
2 management of the trust fund, but the role of the Department of Administrative and
3 Financial Services is nondiscretionary and the Department of Administrative and Financial
4 Services shall carry out all lawful instructions of the trust for all matters relating to
5 accessing the trust fund without the requirement of an additional legislative authorization
6 or a financial order.

7 **4. Working capital advance.** The State Controller is authorized to provide an annual
8 advance from the General Fund to the trust fund to provide money for disbursements from
9 the trust fund. The money must be returned to the General Fund as the first priority from
10 the amounts credited to the trust fund pursuant to subsection 2.

11 **5. Transfer of funds upon elimination or dissolution of trust fund.** If the trust fund
12 is eliminated or dissolved for any reason, the State Controller shall transfer the balance of
13 funds in the trust fund to the Fund for a Healthy Maine established in section 1511.

14 **Sec. 7. 36 MRSA §4381** is repealed and the following enacted in its place:

15 **§4381. Application of cigarette tax revenue**

16 The revenue derived from the tax imposed by this chapter must be applied as follows:

17 **1. Fund for a Healthy Maine.** To the extent that the funds described in Title 22,
18 section 1511, subsection 2, paragraphs A to C are insufficient to cover current allocations
19 for the purposes described in Title 22, section 1511, subsection 6, revenue must be credited
20 to the Fund for a Healthy Maine established in Title 22, section 1511; and

21 **2. General Fund.** The balance of revenue after the application of subsection 1 must
22 be credited to the General Fund.

23 **Sec. 8. 36 MRSA §4403, sub-§6** is enacted to read:

24 **6. Application of revenue.** The revenue derived from the tax imposed by this chapter
25 must be applied as follows:

26 **A.** To the extent that the funds described in Title 22, section 1511, subsection 2,
27 paragraphs A to D are insufficient to cover current allocations for the purposes
28 described in Title 22, section 1511, subsection 6, revenue must be credited to the Fund
29 for a Healthy Maine established in Title 22, section 1511; and

30 **B.** The balance of revenue after the application of paragraph A must be credited to the
31 General Fund.

32 **Sec. 9. Staggered terms.** Notwithstanding the Maine Revised Statutes, Title 22,
33 section 1515, subsection 4, at the initial meeting of the Trust for a Healthy Maine Board,
34 trustees shall draw lots to determine trustees' initial term lengths so that the initial terms of
35 5 trustees expire after one year, the initial terms of 4 trustees expire after 2 years and the
36 initial terms of 5 trustees expire after 3 years.

37 **Sec. 10. Initial appointments.** Notwithstanding the Maine Revised Statutes, Title
38 22, section 1515, subsection 3, paragraph C, the President of the Senate, the Speaker of the
39 House, the member of the Senate who is the leader of the party with the 2nd-largest number
40 of members in the Senate, the member of the House of Representatives who is the leader
41 of the party with the 2nd-largest number of members in the House and the chiefs of the 4
42 federally recognized Indian tribes in the State shall make the initial nominations of trustees

1 for the Trust for a Healthy Maine Board to the Governor within 60 days of the effective
2 date of this Act.

3 **Sec. 11. Transfer; Fund for a Healthy Maine; General Fund.**
4 Notwithstanding any provision of law to the contrary, the State Controller shall transfer
5 \$36,604,210 from the Fund for a Healthy Maine to the General Fund unappropriated
6 surplus no later than June 30, 2026.

7 **Sec. 12. Transfer from Fund for a Healthy Maine.** The State Controller, no
8 later than July 1, 2026, shall transfer all settlement funds, as defined in the Maine Revised
9 Statutes, Title 22, section 1514, subsection 11, in the Fund for a Healthy Maine and a pro
10 rata share of investment income in the Fund for a Healthy Maine to the Trust for a Healthy
11 Maine Trust Fund.

12 SUMMARY

13 This bill establishes the Trust for a Healthy Maine to receive money paid to the State
14 pursuant to the tobacco settlement and from other sources and to distribute that money to
15 state agencies or designated agents of the State to fund tobacco use prevention and
16 addiction disease control, ensure adequate resources for other disease prevention efforts,
17 promote public health, plan and deliver public health and prevention programs and
18 services, support accreditation of the Department of Health and Human Services, Maine
19 Center for Disease Control and Prevention and support public health workforce
20 development. The trust is governed by a 15-member board of trustees composed of the
21 Director of the Maine Center for Disease Control and Prevention and 14 members
22 appointed by the Governor.