

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1999

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Legislative Document

No. 2169

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H.P. 1519

House of Representatives, April 7, 1999

### **An Act to Establish the Trust Fund for a Healthy Maine.**

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

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Speaker ROWE of Portland.  
Cosponsored by Senator PARADIS of Aroostook and  
Representatives: BRAGDON of Bangor, BROOKS of Winterport, FULLER of Manchester,  
KANE of Saco, QUINT of Portland, SAXL of Portland, Senator: MITCHELL of Penobscot.

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

Sec. 1. 22 MRSA c. 260-A is enacted to read:

CHAPTER 260-A

TRUST FUND FOR A HEALTHY MAINE

§1508. Trust Fund for a Healthy Maine established

1. Fund established. The Trust Fund for a Healthy Maine, referred to in this section as the "fund," is established as an other special revenue nonlapsing account to be used to promote the health and well-being of the citizens of the State.

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

A. 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 credit to the fund; and

C. Interest earned on balances in the fund.

3. Allocations; amounts. For fiscal year 2000-01 and thereafter, the Legislature shall allocate no more than 90% of the amount in the fund for each fiscal year for the purposes specified in subsection 4, the remaining amount to be held in trust in the fund as a contingency reserve. The Legislature may, under extraordinary circumstances, allocate funds from the contingency reserve for the purposes specified in subsection 4.

4. Purposes. Allocations under subsection 3 are limited to the following purposes:

A. Smoking cessation and education with emphasis on reducing smoking among the children of the State;

B. Children's early care and education, including prenatal care and child care and education for children up to 6 years of age;

C. Health insurance, which may include public, private or public-private partnerships, with emphasis on children's health insurance;

D. Low-cost prescription drugs for the elderly; and

2 E. Substance abuse prevention and treatment with emphasis  
4 on substance abuse prevention and treatment among the  
children of the State.

6 5. Investment; plan; report. Notwithstanding Title 5,  
8 section 135, the Treasurer of State shall invest and reinvest  
10 money in the fund in accordance with standards defined in Title  
18-A, section 7-302.

12 A. The Treasurer of State shall develop and periodically  
14 review an investment plan that establishes a long-term  
investment strategy to maximize return and minimize risk on  
investments from the fund.

16 B. The Treasurer of State shall report annually on or  
18 before the 2nd Friday in January to the joint standing  
20 committee of the Legislature having jurisdiction over  
22 appropriations and financial affairs and the joint standing  
committee of the Legislature having jurisdiction over health  
and human services matters regarding the investment plan and  
actual investments for the prior year.

24 **Sec. 2. Report; legislation.** The Treasurer of State by December  
26 10, 1999 shall submit a report, including any recommended  
legislation to best effectuate the intent of this Act, to the  
Joint Standing Committee on Appropriations and Financial Affairs  
and the committee may report out legislation based on the  
Treasurer of State's report to the Second Regular Session of the  
119th Legislature.

## SUMMARY

34 This bill establishes the Trust Fund for a Healthy Maine,  
36 which will have as its primary source of revenue money received  
by the State in settlement or in relation to the lawsuit State of  
38 Maine v. Philip Morris, et al., Kennebec County Superior Court,  
Docket No. CV-97-134.

40 Money from the fund will be allocated by the Legislature for  
42 smoking cessation and education, children's early care and  
education, health insurance, substance abuse prevention and  
44 treatment with particular emphasis on meeting the needs of  
children in those areas. Allocations may also be made for  
46 low-cost prescription drugs for the elderly.

48 The bill requires the Treasurer of State to invest money in  
the fund that is not allocated and to develop a long-term  
50 strategy for those investments to maximize return and minimize

2 risk. The Treasurer of State will make annually reports on the  
investment plan to the Joint Standing Committee on Appropriations  
4 and Financial Affairs and the Joint Standing Committee on Health  
and Human Services.