

State of Arkansas  
90th General Assembly  
Regular Session, 2015

As Engrossed: S2/23/15  
**A Bill**

SENATE BILL 391

By: Senator J. Hendren

**For An Act To Be Entitled**

AN ACT TO AMEND THE DISTRIBUTION AND USE OF TOBACCO  
MASTER SETTLEMENT AGREEMENT FUNDS; TO DECLARE AN  
EMERGENCY; AND FOR OTHER PURPOSES.

**Subtitle**

TO AMEND THE DISTRIBUTION AND USE OF  
TOBACCO MASTER SETTLEMENT AGREEMENT  
FUNDS; AND TO DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 19-12-108(d), concerning the creation and administration of the Tobacco Settlement Program Fund, is amended to read as follows:

(d)(1) On each July 1, the amounts deposited into the Tobacco Settlement Program Fund, excluding investment earnings, shall be transferred to the various program accounts as follows:

(A) Fifteen and eight-tenths percent (15.8%) of amounts in the Tobacco Settlement Program Fund shall be transferred to the Targeted State Needs Program Account;

(B) Twenty-two and eight-tenths percent (22.8%) of amounts in the Tobacco Settlement Program Fund shall be transferred to the Arkansas Biosciences Institute Program Account; and

(C) ~~Twenty-nine and eight-tenths percent (29.8%)~~ Thirty-four and two-tenths percent (34.2%) of amounts in the Tobacco Settlement Program Fund shall be transferred to the Medicaid Expansion Program Account.

(2)(A) The Prevention and Cessation Program Account may receive



loans from the Budget Stabilization Trust Fund, ~~from time to time,~~ in amounts determined by the Chief Fiscal Officer of the State that shall not exceed ~~thirty one and six tenths percent (31.6%)~~ twenty-seven and two-tenths percent (27.2%) of the amounts estimated to be received in the Tobacco Settlement Program Fund during the current fiscal year. This estimate shall not include moneys returned to the Tobacco Settlement Program Fund ~~pursuant to~~ under subdivision (e)(1) of this section.

(B) The loans shall be repaid from ~~thirty one and six tenths percent (31.6%)~~ twenty-seven and two-tenths percent (27.2%) of amounts received in the Tobacco Settlement Program Fund during the fiscal year in which the loans are made. The loans shall be repaid ~~prior to~~ before the end of the fiscal year. After the loans have been repaid, the Prevention and Cessation Program Account shall be transferred the difference between ~~thirty one and six tenths percent (31.6%)~~ twenty-seven and two-tenths percent (27.2%) of amounts received in the Tobacco Settlement Program Fund during the fiscal year in which the loans are made and the amount of the loans.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the Medicaid Expansion Program Account currently funds a program that provides increased healthcare access to Arkansans; that this increased healthcare access is necessary for the preservation of the public peace, health, and safety; that increased funding is essential to continuation of that program; and that without this increased funding, the program may be compromised. Therefore, an emergency is declared to exist, and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2015.

*/s/J. Hendren*

**APPROVED: 04/01/2015**