



131st MAINE LEGISLATURE

SECOND REGULAR SESSION-2024

Legislative Document

No. 2249

S.P. 969

In Senate, March 5, 2024

An Act to Protect the Fund for a Healthy Maine

Reported by Senator BALDACCI of Penobscot for the the Joint Standing Committee on Health and Human Services pursuant to Resolve 2023, chapter 100, section 7.

Reference to the Committee on Health and Human Services suggested and ordered printed pursuant to Joint Rule 218.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

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

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

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

5 A. All money received by the State in settlement of or in relation to the lawsuit State
6 of Maine v. Philip Morris, et al., Kennebec County Superior Court, Docket No.
7 CV-97-134;

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

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

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

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

13 **Sec. 2. 36 MRSA §4381** is amended to read:

14 **§4381. ~~Tax credited to General Fund~~ Application of cigarette tax revenue**

15 The revenue derived from the tax imposed by this chapter shall must be credited to the
16 ~~General Fund of the State.~~ 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 budgeted 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 by Title 22, section 1511; and

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

23 **Sec. 3. 36 MRSA §4403, sub-§6** is enacted to read:

24 **6. Application of revenue.** The revenue derived from the tax imposed by this section
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 budgeted 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 by Title 22, section 1511; and

30 B. The balance of revenue after the credit made under paragraph A must be credited
31 to the General Fund.

32 **SUMMARY**

33 This bill, which is reported out by the Joint Standing Committee on Health and Human
34 Services pursuant to Resolve 2023, chapter 100, section 7, directs funds from the cigarette
35 tax and the tobacco products tax to the Fund for a Healthy Maine. Under the bill, tax
36 revenue from the cigarette tax is applied to the Fund for a Healthy Maine only if Master
37 Settlement Agreement funds and other sources are insufficient to cover budgeted
38 allocations, and the tobacco products tax revenue is applied to the Fund for a Healthy Maine
39 only if the cigarette tax revenue is insufficient to cover any remaining budgeted allocations.