

account and are appropriated to the commissioner of the agency for the purpose as directed by the federal court.

(e) Tobacco settlement revenues as defined in section 16A.98, subdivision 1, paragraph (t), may be deposited as provided in section 16A.98, subdivision 12.

(f) Money recovered by or ordered to be paid to the state from a nonparticipating manufacturer or a participating manufacturer, including future annual payments and arrears payments, under the terms of a settlement or judgment from litigation regarding annual tobacco settlement payments on transferred tobacco brands, shall be deposited in the tobacco use prevention account under section 144.397. For purposes of this paragraph:

(1) "litigation regarding annual tobacco settlement payments on transferred tobacco brands" has the meaning given in section 144.397, subdivision 3, paragraph (c);

(2) "nonparticipating manufacturer" has the meaning given in section 144.397, subdivision 3, paragraph (d); and

(3) "participating manufacturer" has the meaning given in section 16A.98, subdivision 1, paragraph (j).

EFFECTIVE DATE. Paragraph (f) is effective the day following final enactment and applies to settlements reached or judgments entered on or after that date.

Sec. 2. **[144.397] TOBACCO USE PREVENTION ACCOUNT.**

Subdivision 1. **Account created.** A tobacco use prevention account is created in the special revenue fund. The commissioner of management and budget shall deposit into the account all money recovered by or ordered to be paid to the state from a nonparticipating manufacturer or a participating manufacturer, including future annual payments and arrears payments, under the terms of a settlement or judgment from litigation regarding annual tobacco settlement payments on transferred tobacco brands.

Subd. 2. **Uses of money in account.** Each fiscal year, \$12,000,000 from the tobacco use prevention account is appropriated to the commissioner of health for tobacco use prevention activities in section 144.396. In the event that the balance in the tobacco use prevention account is less than \$12,000,000 on July 1, all money in the account on that date is appropriated to the commissioner of health for tobacco use prevention activities in section 144.396.

Subd. 3. **Definitions.** (a) The definitions in this subdivision apply to this section.

3.1 (b) "Consent judgment" has the meaning given in section 16A.98, subdivision 1,
3.2 paragraph (f).

3.3 (c) "Litigation regarding annual tobacco settlement payments on transferred tobacco
3.4 brands" means litigation between the state and certain participating manufacturers and a
3.5 nonparticipating manufacturer related to the obligation of these manufacturers to make past
3.6 and future annual tobacco settlement payments according to the settlement agreement and
3.7 consent judgment in amounts that include tobacco brands transferred from participating
3.8 manufacturers to a nonparticipating manufacturer.

3.9 (d) "Nonparticipating manufacturer" means a tobacco product manufacturer that is not
3.10 a signatory to the settlement agreement.

3.11 (e) "Participating manufacturer" has the meaning given in section 16A.98, subdivision
3.12 1, paragraph (j).

3.13 (f) "Settlement agreement" has the meaning given in section 16A.98, subdivision 1,
3.14 paragraph (h).

3.15 **EFFECTIVE DATE.** This section is effective the day following final enactment and
3.16 applies to settlements reached or judgments entered on or after that date.