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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2422

03/02/2023 Authored by Her, Acomb and Moller
The bill was read for the first time and referred to the Committee on Health Finance and Policy

1.1 A bill for an act
1.2 relating to health; establishing tobacco use prevention account; appropriating
1.3 money; amending Minnesota Statutes 2022, section 16A.151, subdivision 2;
1.4 proposing coding for new law in Minnesota Statutes, chapter 144.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2022, section 16A.151, subdivision 2, is amended to read:

1.7 Subd. 2. Exceptions. (a) If a state official litigates or settles a matter on behalf of specific
1.8 injured persons or entities, this section does not prohibit distribution of money to the specific
1.9 injured persons or entities on whose behalf the litigation or settlement efforts were initiated.
1.10 If money recovered on behalf of injured persons or entities cannot reasonably be distributed
1.11 to those persons or entities because they cannot readily be located or identified or because
1.12 the cost of distributing the money would outweigh the benefit to the persons or entities, the
1.13 money must be paid into the general fund.

1.14 (b) Money recovered on behalf of a fund in the state treasury other than the general fund
1.15 may be deposited in that fund.

1.16 (c) This section does not prohibit a state official from distributing money to a person or
1.17 entity other than the state in litigation or potential litigation in which the state is a defendant
1.18 or potential defendant.

1.19 (d) State agencies may accept funds as directed by a federal court for any restitution or
1.20 monetary penalty under United States Code, title 18, section 3663(a)(3), or United States
1.21 Code, title 18, section 3663A(a)(3). Funds received must be deposited in a special revenue
1.22 account and are appropriated to the commissioner of the agency for the purpose as directed
1.23 by the federal court.

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

2.3 (f) Any money received by the state resulting from a settlement agreement or an assurance
2.4 of discontinuance entered into by the attorney general of the state, or a court order in litigation
2.5 brought by the attorney general of the state, on behalf of the state or a state agency, related
2.6 to alleged violations of consumer fraud laws in the marketing, sale, or distribution of opioids
2.7 in this state or other alleged illegal actions that contributed to the excessive use of opioids,
2.8 must be deposited in the settlement account established in the opiate epidemic response
2.9 fund under section 256.043, subdivision 1. This paragraph does not apply to attorney fees
2.10 and costs awarded to the state or the Attorney General's Office, to contract attorneys hired
2.11 by the state or Attorney General's Office, or to other state agency attorneys.

2.12 (g) Notwithstanding paragraph (f), if money is received from a settlement agreement or
2.13 an assurance of discontinuance entered into by the attorney general of the state or a court
2.14 order in litigation brought by the attorney general of the state on behalf of the state or a state
2.15 agency against a consulting firm working for an opioid manufacturer or opioid wholesale
2.16 drug distributor, the commissioner shall deposit any money received into the settlement
2.17 account established within the opiate epidemic response fund under section 256.042,
2.18 subdivision 1. Notwithstanding section 256.043, subdivision 3a, paragraph (a), any amount
2.19 deposited into the settlement account in accordance with this paragraph shall be appropriated
2.20 to the commissioner of human services to award as grants as specified by the opiate epidemic
2.21 response advisory council in accordance with section 256.043, subdivision 3a, paragraph
2.22 (d).

2.23 (h) Any money received by the state resulting from a settlement agreement or an assurance
2.24 of discontinuance entered into by the attorney general of the state, or a court order in litigation
2.25 brought by the attorney general of the state on behalf of the state or a state agency related
2.26 to alleged violations of consumer fraud laws in the marketing, sale, or distribution of
2.27 electronic nicotine delivery systems in this state or other alleged illegal actions that
2.28 contributed to the exacerbation of youth nicotine use, must be deposited in the settlement
2.29 account established in the tobacco use prevention account under section 144.398. This
2.30 paragraph does not apply to: (1) attorney fees and costs awarded or paid to the state or the
2.31 Attorney General's Office; (2) contract attorneys hired by the state or Attorney General's
2.32 Office; or (3) other state agency attorneys.

2.33 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.1 Sec. 2. [144.398] TOBACCO USE PREVENTION ACCOUNT; ESTABLISHMENT
 3.2 AND USES.

3.3 Subdivision 1. Definitions. (a) As used in this section, the terms in this subdivision have
 3.4 the meanings given.

3.5 (b) "Electronic delivery device" has the meaning given in section 609.685, subdivision
 3.6 1, paragraph (c).

3.7 (c) "Tobacco" has the meaning given in section 609.685, subdivision 1, paragraph (a).

3.8 (d) "Tobacco-related devices" has the meaning given in section 609.685, subdivision 1,
 3.9 paragraph (b).

3.10 (e) "Nicotine delivery product" has the meaning given in section 609.6855, subdivision
 3.11 1, paragraph (c).

3.12 Subd. 2. Account created. A tobacco use prevention account is created in the special
 3.13 revenue fund. Pursuant to section 16A.151, subdivision 2, paragraph (h), the commissioner
 3.14 of management and budget shall deposit into the account any money received by the state
 3.15 resulting from a settlement agreement or an assurance of discontinuance entered into by the
 3.16 attorney general of the state, or a court order in litigation brought by the attorney general
 3.17 of the state on behalf of the state or a state agency related to alleged violations of consumer
 3.18 fraud laws in the marketing, sale, or distribution of electronic nicotine delivery systems in
 3.19 this state or other alleged illegal actions that contributed to the exacerbation of youth nicotine
 3.20 use.

3.21 Subd. 3. Appropriations from tobacco use prevention account. (a) Each fiscal year,
 3.22 the amount of money in the tobacco use prevention account is appropriated to the
 3.23 commissioner of health for:

3.24 (1) tobacco and electronic delivery device use prevention and cessation projects consistent
 3.25 with the duties specified in section 144.392;

3.26 (2) a public information program under section 144.393;

3.27 (3) the development of health promotion and health education materials about tobacco
 3.28 and electronic delivery device use prevention and cessation;

3.29 (4) tobacco and electronic delivery device use prevention activities under section 144.396;
 3.30 and

3.31 (5) statewide tobacco cessation services under section 144.397.

3.32 (b) In activities funded under this subdivision, the commissioner of health must:

- 4.1 (1) prioritize preventing persons under the age of 21 from using commercial tobacco,
4.2 electronic delivery devices, tobacco-related devices, and nicotine delivery products;
- 4.3 (2) promote racial and health equity; and
- 4.4 (3) use strategies that are evidence-based or based on promising practices.
- 4.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.