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SENATE FILE 235

BY GRONSTAL, BLACK, BOLKCOM, CONNOLLY,
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FLYNN, FRAISE, HAMMOND, HANSEN,
HARPER, JUDGE, KIBBIE, McCOY,
SHEARER, SOUKUP, and SZYMONIAK

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to and making an appropriation from the tobacco
2 settlement fund to the department of human services to provide
3 presumptive eligibility for children under the medical
4 assistance program, and providing an effective date and
5 providing for retroactive applicability.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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APPROPRIATIONS

1 Section 1. TOBACCO SETTLEMENT FUND -- APPROPRIATION TO THE
2 DEPARTMENT OF HUMAN SERVICES. There is appropriated from the
3 tobacco settlement fund created in section 12.65 to the
4 department of human services for the fiscal year beginning
5 July 1, 2000, and ending June 30, 2001, the following amount,
6 or so much thereof as is necessary, to be used for the purpose
7 designated:

8 To supplement the medical assistance appropriation to
9 provide for presumptive determinations of eligibility under
10 the medical assistance program for children under age 19:
11 \$ 1,200,000

12 A presumptive eligibility determination may be made only
13 once in a twelve-month period.

14 Sec. 2. Section 12.65, Code 1999, is amended to read as
15 follows:

16 12.65 TOBACCO SETTLEMENT FUND.

17 1. A tobacco settlement fund is created in the office of
18 the treasurer of state. After payment of litigation costs,
19 the state portion of any moneys paid to the state by tobacco
20 companies in settlement of the state's lawsuit for recovery of
21 public expenditures associated with tobacco use shall be
22 deposited in the tobacco settlement fund. Moneys deposited in
23 the fund shall be used only as provided in appropriations from
24 the fund ~~to the department of human services for the medical~~
25 ~~assistance program and to the Iowa department of public health~~
26 for health care-related programs to reduce smoking by teenage
27 youth. For purposes of this section, "litigation costs" are
28 those costs itemized by the attorney general and submitted to
29 and approved by the ~~general assembly~~ executive council.

30 2. On June 30, 2001, the balance remaining in the tobacco
31 settlement fund shall be transferred to the general fund of
32 the state. Beginning July 1, 2001, the tobacco settlement
33 fund shall be considered part of the general fund of the
34 state. However, the state portion of the moneys received
35 shall only be appropriated for health care-related programs.

1 Sec. 3. Section 249A.3, Code Supplement 1999, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 4A. The department shall establish
4 presumptive eligibility under the medical assistance program
5 for a child who is under nineteen years of age. A
6 determination of presumptive eligibility may be made only once
7 in a twelve-month period.

8 Sec. 4. EFFECTIVE DATE. The section in this Act amending
9 section 12.65, being deemed of immediate importance, takes
10 effect upon enactment and is retroactively applicable to July
11 1, 1999.

12 EXPLANATION

13 This bill relates to the tobacco settlement fund, makes an
14 appropriation from the fund to the department of human
15 services, and provides conforming provisions relating to the
16 expenditure of the funds.

17 The bill appropriates \$1,200,000 to the department of human
18 services to supplement the medical assistance appropriation to
19 provide presumptive eligibility for medical assistance to
20 children under 19 years of age and to make the presumptive
21 eligibility determination only once in a 12-month period.

22 The bill also amends codified provisions relating to the
23 tobacco settlement fund and to the provisions of the bill.
24 The bill amends Code section 12.65, the tobacco settlement
25 fund, to provide that moneys deposited in the fund shall be
26 used only as provided in appropriations from the fund and for
27 health care-related programs. The amendment to the section
28 also provides that litigation costs, which are to be paid
29 prior to deposit of moneys in the fund, are to be submitted to
30 and approved by the executive council, which as provided in
31 Code section 7D.1 includes the governor, secretary of state,
32 auditor of state, treasurer of state, and the secretary of
33 agriculture. The bill also amends Code section 12.65 to
34 provide that the balance remaining in the tobacco settlement
35 fund shall be transferred to the general fund of the state.

1 Additionally, beginning July 1, 2001, the tobacco settlement
2 fund is to be considered part of the general fund of the
3 state. However, the state portion of the tobacco settlement
4 funds are to continue to only be appropriated for health care-
5 related programs. Code section 12.65 as amended in the bill
6 is effective upon enactment and is retroactively applicable to
7 July 1, 1999.

8 The bill also makes conforming changes in the Code relating
9 to the medical assistance program relevant to the presumptive
10 eligibility provision in the appropriations portion of the
11 bill.

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