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SENATE FILE 2136

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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 for twelve-month continuous eligibility for children under the
4 medical assistance program, and providing an effective date
5 and providing for retroactive applicability.

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

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SF 2136
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 twelve-month continuous eligibility for medical
10 assistance to eligible children under age 19:
11 \$ 7,500,000

12 Children who are eligible under the medically needy
13 coverage group or who are presumptively eligible for medical
14 assistance are not eligible for continuous eligibility under
15 this section.

16 Sec. 2. Section 12.65, Code 1999, is amended to read as
17 follows:

18 12.65 TOBACCO SETTLEMENT FUND.

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

32 2. On June 30, 2001, the balance remaining in the tobacco
33 settlement fund shall be transferred to the general fund of
34 the state. Beginning July 1, 2001, the tobacco settlement
35 fund shall be considered part of the general fund of the

1 state. However, the state portion of the moneys received
2 shall only be appropriated for health care-related programs.

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

5 NEW SUBSECTION. 4A. The department shall establish
6 twelve-month continuous eligibility under the medical
7 assistance program for a child under nineteen years of age
8 whose eligibility is not based on eligibility under the
9 medically needy category or on presumptive eligibility.

10 Sec. 4. EFFECTIVE DATE. The section in this Act amending
11 section 12.65, being deemed of immediate importance, takes
12 effect upon enactment and is retroactively applicable to July
13 1, 1999.

14 EXPLANATION

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

19 The bill appropriates \$7,500,000 to the department of human
20 services to supplement the medical assistance appropriation to
21 provide 12-month continuous eligibility to children under 19
22 years of age whose eligibility is based on criteria other than
23 eligibility under the medically needy program or presumptive
24 eligibility.

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

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

11 The bill also makes a conforming change in the Code
12 relating to the medical assistance program and continuous
13 eligibility relevant to the appropriation portion of the bill.

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