

2 SSB 6354 - S AMD - 762

3 By Senators West, Deccio and McDonald

4 ADOPTED AS AMENDED 2/17/98

5 Strike everything after the enacting clause and insert the  
6 following:

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 43.79 RCW  
8 to read as follows:

9 (1) The legislature recognizes that the sale of tobacco products in  
10 the state has resulted in significant damage to the public health of  
11 the state. In any legal action, or settlement thereof, by the state of  
12 Washington against tobacco companies for damages for injuries to the  
13 public health for violation of state and federal consumer protection  
14 and antitrust laws and to recover moneys for tobacco-related health  
15 care costs, and to the maximum extent permitted by court order,  
16 negotiated settlement, or federal law, the proceeds received by the  
17 state, exclusive of costs and fees, shall be subject to legislative  
18 appropriation and shall be deposited in:

19 (a) The education enhancement account, which is created in the  
20 state treasury. Moneys in the account may be spent only after  
21 appropriation and may be used exclusively for enhancing and improving  
22 the common school system of the state, including alcohol, tobacco, and  
23 drug abuse awareness and prevention programs targeted at youths.  
24 Moneys in the account shall not be used to (i) replace or supplant  
25 existing state funding, (ii) meet the state's constitutional obligation  
26 to provide for basic education programs under chapter 28A.150 RCW, or  
27 (iii) increase the compensation and benefits of personnel in the common  
28 schools; and

29 (b) The health services account established by RCW 43.72.900.  
30 Moneys deposited in the health services account under this section may  
31 be used exclusively for funding the enrollment of eligible persons in  
32 the basic health plan under chapter 70.47 RCW, including funding a  
33 smoking cessation benefit in the basic health plan.

34 (2) The proceeds identified in subsection (1) of this section shall  
35 be divided equally between the two accounts specified in subsection (1)  
36 of this section except (a) as otherwise required by federal law, or (b)

1 as the court determines essential to provide appropriate damages and  
2 other relief to the parties to the litigation.

3 (3) In any legal action, or settlement thereof, by the state of  
4 Washington to recover damages for health care costs and for other  
5 tobacco-related injuries to the public health, including antitrust and  
6 consumer protection violations, the attorney general shall seek a legal  
7 resolution of the action that is consistent with and maximizes the  
8 effect of this section.

9 NEW SECTION. **Sec. 2.** If any provision of this act or its  
10 application to any person or circumstance is held invalid, the  
11 remainder of the act or the application of the provision to other  
12 persons or circumstances is not affected."

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**EFFECT:** Clarifies that the distribution of proceeds to the state  
from the tobacco litigation shall be consistent with the remedies  
and damages that may be awarded by the court.