
VIRGINIA STATE BUDGET

2001 Session

Budget Bill - SB800 (Introduced)

Bill Order » Part 3: Miscellaneous » Item 3-3.05

Item 3-3.05

§ 3-3.05 PAYMENTS BY THE TOBACCO SETTLEMENT FINANCING CORPORATION

A. The Governor is authorized to sell to the Tobacco Settlement Financing Corporation, at such time or times as he deems appropriate, pursuant to and in accordance with the provisions of this section, up to and including one hundred percent of the Commonwealth's Allocation from the Master Settlement Agreement with tobacco product manufacturers, as defined below, with respect to revenues received on and after July 1, 2002. The Governor is further authorized to enter into one or more Tobacco Asset Sale Agreements with such terms and provisions and containing such covenants as he shall deem appropriate. Any such Tobacco Asset Sale Agreement shall identify the Endowment or Trust Fund to benefit from such sale and may provide for the sale of up to and including the percentage of the Commonwealth's Allocation assigned to such Endowment or Trust Fund pursuant to Paragraph B below. For purposes of this section, the term Tobacco Asset Sale Agreement shall mean the agreement or agreements between the Commonwealth, as seller of the Tobacco Assets, and the Tobacco Settlement Financing Corporation, as purchaser of the Tobacco Assets. Each such sale by the Commonwealth of the Tobacco Assets pursuant to any such Agreement shall be a true sale and not a borrowing.

B. Contingent upon the enactment of legislation in the 2001 Session of the General Assembly, the State Comptroller shall deposit as received the proceeds (whether received in a lump sum or periodically as residuals) of any sale, pursuant to Paragraph A above, of all or a portion of the Commonwealth's Allocation pursuant to the Master Settlement Agreement with tobacco product manufacturers, as follows:

1. To the Tobacco Indemnification and Community Revitalization Endowment, the proceeds of any sale of such portion pursuant to Paragraph A above to the extent that the proceeds shall be allocated by the terms of such Tobacco Asset Sale Agreement to this Endowment, not to exceed fifty percent of the total Commonwealth Tobacco Assets;

2. To the Virginia Tobacco Settlement Endowment, the proceeds of any sale of such portion pursuant to Paragraph A above to the extent that the proceeds shall be allocated by the terms of such Tobacco Asset Sale Agreement to this Endowment, not to exceed ten percent of the total Commonwealth Tobacco Assets; and

3. To the Higher Education and Economic Development Trust Fund, the proceeds of any sale of such portion pursuant to paragraph A above shall be deposited to the general fund and thereafter appropriated to the Higher Education and Economic Development Trust Fund, to the extent that the proceeds shall be allocated by the terms of such Tobacco Asset Sale Agreement to this Fund, not to exceed forty percent of the total Commonwealth Tobacco Assets.

C. For purposes of this act, the Commonwealth's Allocation means all moneys allocated to the Commonwealth pursuant to the Master Settlement Agreement (MSA). The Tobacco Assets shall mean all right, title, and interest in and to the portion of the Commonwealth's Allocation under the MSA that may be sold to the Tobacco Settlement Financing Corporation from time to time. The Master Settlement Agreement or MSA shall mean the agreement and related documents as defined in Chapter 714, Acts of Assembly of 1999.

D. The amounts deposited by the State Comptroller pursuant to the preceding Paragraph B.3. shall be included in the general fund revenue calculations for purposes of subsection C of § 58.1-3524 and subsection B of § 58.1-3536, Code of Virginia.

E. See also Item 545 of this act for provisions pertaining to the Tobacco Master Settlement Agreement Funds.