

**SJR**

**7**



OFFICIAL BUSINESS

# Alaska State Legislature Senate

## Office of the Secretary

**FOR YOUR IMMEDIATE ATTENTION**

STATE CAPITOL, ROOM 213  
JUNEAU, ALASKA 99801-1182  
(907) 465-3701  
FAX: 465-2832  
EMAIL: [sonate\\_secretary@Legis.state.ak.us](mailto:sonate_secretary@Legis.state.ak.us)

DATE: March 13, 1999

TO: Health, Education and Social Services Committee  
(Senator Miller, Room 119)

FROM: Office of the Senate Secretary

A Sponsor Substitute has been introduced on the following bill/resolution pending in your Committee:

### **RETRIEVE**

SENATE JOINT RESOLUTION NO. 7

Relating to prohibiting federal claims against funds obtained by settlement of tobacco litigation.

Please pull this bill/resolution folder from your files and give to the page. The bill/resolution will be returned to you with the Sponsor Substitute.

Thank you.



# SENATOR JERRY WARD

ALASKA STATE LEGISLATURE

## SPONSOR STATEMENT SJR 7

SJR 7 is a resolution urging Congress to enact legislation preventing the federal Department of Health and Social Services from recouping state tobacco settlement funds as third party recoveries under Medicaid law.



# Leaders' Letter

Vol. 20, No. 1  
January 29, 1999

*Handwritten notes:*  
I thought  
might need  
for SJR  
7 presentation  
around the states

**around  
the  
states**

Dear Leader:

**TOBACCO CASH OPENS DEBATES ...** Battles are brewing in legislatures as they await the first payments in the \$206 billion liability settlement reached last November with the five major tobacco companies. **Attorneys general from 46 states, four territories and the District of Columbia accepted the deal**, which essentially puts no restrictions on how the money may be spent. Florida, Minnesota, Mississippi and Texas already resolved their lawsuits before the recent settlement.

**The new agreement requires tobacco companies to stop targeting young people** in their advertising and to stop using cartoon characters. The agreement also limits corporate sponsorships of sporting events. It bans billboard and transit advertising and product placement in movies. It stops the sale of T-shirts and backpacks with brand name logos. It keeps companies from selling cigarettes in packs of less than 20 until December 2001.

**States will receive payments annually starting April 15, 2000.** Payments will be based on formulas to which the attorneys general have agreed; they vary widely. There are elements in the settlement that could reduce the states' payments. For example, they could be reduced if the federal government enacts a new tax on tobacco products and earmarks these funds for health care or gives them to the states on an unrestricted basis. **States would also lose a portion of their share if they fail to pass a model statute** included in the agreement that is designed to protect the five major U.S. tobacco companies from unfair competition by foreign and smaller companies.

U.S. Representative Michael Bilirakis has introduced a **bill barring the federal government from seizing state tobacco settlement funds**. And in a related matter, the Congressional Budget Office has completed the fiscal note for the bill and has "scored" the bill at \$2.9 billion over five years. This is the amount that must be "offset" in the federal budget to move the legislation forward. **This is good news for states.** Earlier estimates were considerably higher. The Clinton administration is assuming recoupment of \$20 billion in state tobacco settlement funds during the same five-year period, highlighting the need for passage of the Bilirakis bill.

Some state leaders are calling for the money to be spent on health care and anti-smoking campaigns. Some are urging that it be used on projects unrelated to tobacco, including new schools or jails. Others say the money should be used to eliminate state debts or be given to taxpayers as rebates.

**national  
conference  
of state  
legislatures**

Leaders' Center

1560 Broadway, Suite 700  
Denver, Colorado 80202  
(303) 830-2200  
FAX (303) 863-8003

William T. Pound  
Executive Director

**Some ideas for the money so far include:**

- Nebraska has created a tobacco settlement trust fund and will use interest from it to underwrite measures like converting nursing homes to assisted-living facilities.
- In New Hampshire and Maryland, leaders are looking at ways to spend their shares on schools.
- Tobacco-growing states like North Carolina and Kentucky are likely to use part of their settlement funds to help tobacco farmers.
- The Alabama Legislature has approved \$85 million for youth programs, including health insurance, new detention centers and more probation officers.
- Arizona's Governor Jane Hull wants to use the money to finance programs to discourage tobacco use and to rebuild health facilities.
- A Colorado task force has recommended that 35 percent be spent on tobacco control and 44 percent on children's health programs.
- Minnesota has set aside \$202 million (3 percent of the proceeds) for anti-smoking efforts.

**from  
d.c.**

**DEFEAT FOR STATES IN U.S. SUPREME COURT ...** In a five to three vote, citing a lack of clarity in the statute regarding state authority, the U.S. Supreme Court ruled on Monday, January 25, that the **1996 Telecommunications Act (P.L. 104-104)** permits the federal government, through the **Federal Communications Commission**, to set pricing rules for long distance telephone companies and companies that want to start offering local phone service. This may not be the last word. Chair of the House Commerce Committee, U.S. Representative Thomas Bliley of Virginia, is pleased with the decision, but U.S. Senator John McCain from Arizona, chairman of the Senate Commerce Committee, is calling for a re-examination of the act. It is also possible that U.S. Representative W.J. "Billy" Tauzin of Louisiana will re-introduce legislation from last session that would give the pricing authority to state public utility commissions.

**NO CENSUS SAMPLING IN 2000 ...** The U.S. Supreme Court ruled, in a 5-4 decision, that statistical sampling cannot be used for the reapportionment of congressional seats during the 2000 census

**WHAT'S IN A NAME? ...** The Senate Labor and Human Resources Committee has been renamed the Senate Health, Education, Labor and Pensions Committee or the HELP Committee in Washington-speak.

**in  
addition**

**CHANGES, CHANGES, CHANGES ...** Re-organization is the hot topic as the new year takes off in **Alabama politics**. Seat turnovers from the election and power shifts that occurred during organizational meetings may lead to a lot of changes. The annual session does not start until March 2, but meeting days and inaugurations have already taken place.

**In the House, the leadership changes seem to be going smoothly** with Democrat Seth Hammett the new speaker and Demetrius Newton the new speaker pro tem. There is much excitement among members about the start of a "new era" where they expect more input from members. **The new leaders are preparing to use committees' work more effectively and have more communication among caucus members and leaders.**

In contrast, **the Senate is struggling to overcome the changes leaders may implement.** For the first time in history, a Republican lieutenant governor (Steve Windom) was elected. But a Democrat, Don Siegelman, won the governorship. The Senate continues to have a Democratic majority. Difficulties have arisen during the recent organizational session. After Democratic Senator Lowell Barron was elected to hold the Senate president pro tem position, rules were adopted to change the operating procedures of the Senate. Traditionally the presiding officer of the Senate has been the lieutenant governor. With the changes, much of the power will go to Barron, the president pro tem. Lieutenant Governor Steve Windom had to watch the proceedings without having any input because he was not inaugurated into his position at the time. The organizational session agreement also set up Barron to make the appointment of committee chairs. After the committees were filled, some senators were even more disgruntled as they foresee a formula for disagreement and gridlock building, with the partisan inequity obvious.

The Senate adjourned their contentious organizational session after three days of meetings and will have until March 2 to simmer steamed tempers, unless a special session is called. Lieutenant Governor Windom stated that he does intend to pursue the legality of what occurred to try to win back some of the power lost. **It certainly is likely to be a challenging year for the Alabama Legislature if the House is running smoothly and the Senate experiences impasse.**

**leadership  
notes**

Again, we will continue to list new leaders in our state legislatures. Look for profiles of many of the new presiding officers in *State Legislatures* magazine. The 1999 edition of the *Directory of Legislative Leaders* will be available soon.

Alabama has all new leaders in its House; Speaker **Seth Hammett**, Speaker Pro Tem **Demetrius Newton**, Majority Leader **Ken Guin**, and Minority Leader **Mike Rogers**. Alaska has a new speaker of the House, **Brian Porter**, and new majority leader, **Joseph Green**. Arizona has a new minority leader in the House, **Bob McLendon**. Arkansas has a new speaker of the House, **Bob Johnson**. Hawaii has a

new minority leader in the Senate, **Whitney Anderson**. New House leaders are: Speaker **Calvin Say**, Majority Leader **Ed Case** and Minority Leader **Barbara Marumoto**. Kansas has new leaders in its House: Speaker **Robin Jennison**, Majority Leader **Kent Glasscock** and Minority Leader **Jim Garner**. North Carolina also has new House leaders: Speaker **James Black**, Majority Leader **Phil Baddour** and Minority Leader **Leo Daughtry**.

**point  
of  
order**

You won't want to miss the national redistricting seminar in Denver March 4-6 at the Hyatt Regency Hotel. "Plotting the '00s Maps" will have something for everyone:

- The politics of redistricting
- Hands-on line drawing exercises
- The latest technology
- Redistricting law 101
- Understanding the census data.

For programs and registration information call NCSL's fax on demand at (800) 380-7280 or call Tim Storey or Janet Rebman at (303) 830-2200.

The next Assembly on State Issues will be in Jacksonville, Fla., April 9-11. And the next Assembly on Federal Issues will be in Washington, D.C., May 6-9.

New publications that might be of interest to you include:

- The latest in the Transportation Series, *Traffic Safety State Legislative Summary, 1998*, summarizes major traffic safety issues that were considered and enacted by state legislatures in 1998.
- *Watershed Protection: The Legislative Role* contains the results of an NCSL survey of state watershed protection laws to determine the statutory basis for current watershed protection activities.
- *Redistricting Case Summaries from the '90s* summarizes legislative and congressional litigation resulting from the 1990 redistricting process. The major issues and resulting judicial decisions are provided for each case.
- *State Budget Actions 1998* presents the findings from NCSL's annual survey of legislative fiscal officers on state budgets for fiscal years 1998 and 1999. It includes data from all 50 states and the District of Columbia. Funding categories discussed include education, corrections and Medicaid.
- *Inside the Legislative Process* provides valuable information about state legislative processes and procedures. The 1997 edition updates the 1996 notebook, replacing the introduction section, adding to the committee procedures section and beginning sections on legislative documents and public information.