

Boettger  
Horn  
Tinsman

SSB-1103

Judiciary  
Succeeded By  
SF/HF 146

SENATE FILE  
BY (PROPOSED COMMITTEE ON  
JUDICIARY BILL BY  
CHAIRPERSON MADDOX)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the tobacco master settlement agreement and  
2 providing an effective date.

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

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1 Section 1. Section 453C.1, subsection 4, paragraph c,  
2 unnumbered paragraph 2, Code 2001, is amended to read as  
3 follows:

4 The term "cigarette" includes "roll-your-own" tobacco,  
5 meaning tobacco which, because of its appearance, type,  
6 packaging, or labeling, is suitable for use and likely to be  
7 offered to, or purchased by, consumers as tobacco for making  
8 cigarettes. For purposes of this definition of "cigarette",  
9 0.09 ounces of "roll-your-own" tobacco shall constitute one  
10 individual "cigarette".

11 Sec. 2. Section 453C.1, subsection 9, paragraph a, Code  
12 2001, is amended to read as follows:

13 a. Manufactures cigarettes anywhere that such manufacturer  
14 intends to be sold in the United States, including cigarettes  
15 intended to be sold in the United States through an importer,  
16 (except where such importer is an original participating  
17 manufacturer, as that term is defined in the master settlement  
18 agreement, that will be responsible for the payments under the  
19 master settlement agreement with respect to such cigarettes as  
20 a result of the provisions of subsection II(mm) of the master  
21 settlement agreement and that pays the taxes specified in  
22 subsection II(z) of the master settlement agreement and  
23 provided that the manufacturer of such cigarettes does not  
24 market or advertise such cigarettes in the United States).

25 Sec. 3. Section 453C.2, subsection 2, paragraph b,  
26 subparagraph (1), Code 2001, is amended to read as follows:

27 (1) To pay a judgment or settlement on any released claim  
28 brought against such tobacco product manufacturer by the state  
29 or any releasing party located or residing in the state.  
30 Funds shall be released from escrow, under this subparagraph  
31 (1), (a) in the order in which they were placed into escrow  
32 and (b) only to the extent and at the time necessary to make  
33 payments required under such judgment or settlement.

34 Sec. 4. EFFECTIVE DATE. This Act, being deemed of  
35 immediate importance, takes effect upon enactment.

EXPLANATION

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2 This bill amends the provisions of the Code relating to the  
3 tobacco master settlement agreement entered into by the state  
4 and leading United States tobacco product manufacturers. The  
5 bill makes changes to comply with the model Act provisions  
6 which were to be adopted by all states party to the agreement.  
7 The bill takes effect upon enactment, which must take place  
8 prior to March 1, 2001.

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H. 3/20/01 Do Pass

FILED FEB 3 '01

SENATE FILE 146  
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO SSB 1103)

Passed Senate (P. 330) Date 2/14/01 Passed House (P. 928) Date 3/27/01  
Vote: Ayes 46 Nays 0 Vote: Ayes 99 Nays 0  
Approved March 30, 2001

A BILL FOR

1 An Act relating to the tobacco master settlement agreement and  
2 providing an effective date.

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

SF 146

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1 Section 1. Section 453C.1, subsection 4, paragraph c,  
2 unnumbered paragraph 2, Code 2001, is amended to read as  
3 follows:

4 The term "cigarette" includes "roll-your-own" tobacco,  
5 meaning tobacco which, because of its appearance, type,  
6 packaging, or labeling, is suitable for use and likely to be  
7 offered to, or purchased by, consumers as tobacco for making  
8 cigarettes. For purposes of this definition of "cigarette",  
9 0.09 ounces of "roll-your-own" tobacco shall constitute one  
10 individual "cigarette".

11 Sec. 2. Section 453C.1, subsection 9, paragraph a, Code  
12 2001, is amended to read as follows:

13 a. Manufactures cigarettes anywhere that such manufacturer  
14 intends to be sold in the United States, including cigarettes  
15 intended to be sold in the United States through an importer,  
16 (except where such importer is an original participating  
17 manufacturer, as that term is defined in the master settlement  
18 agreement, that will be responsible for the payments under the  
19 master settlement agreement with respect to such cigarettes as  
20 a result of the provisions of subsection II(mm) of the master  
21 settlement agreement and that pays the taxes specified in  
22 subsection II(z) of the master settlement agreement and  
23 provided that the manufacturer of such cigarettes does not  
24 market or advertise such cigarettes in the United States).

25 Sec. 3. Section 453C.2, subsection 2, paragraph b,  
26 subparagraph (1), Code 2001, is amended to read as follows:

27 (1) To pay a judgment or settlement on any released claim  
28 brought against such tobacco product manufacturer by the state  
29 or any releasing party located or residing in the state.  
30 Funds shall be released from escrow, under this subparagraph  
31 (1), (a) in the order in which they were placed into escrow  
32 and (b) only to the extent and at the time necessary to make  
33 payments required under such judgment or settlement.

34 Sec. 4. EFFECTIVE DATE. This Act, being deemed of  
35 immediate importance, takes effect upon enactment.

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EXPLANATION

This bill amends the provisions of the Code relating to the tobacco master settlement agreement entered into by the state and leading United States tobacco product manufacturers. The bill makes changes to comply with the model Act provisions which were to be adopted by all states party to the agreement.

The bill takes effect upon enactment, which must take place prior to March 1, 2001.

SENATE FILE 146

AN ACT  
RELATING TO THE TOBACCO MASTER SETTLEMENT AGREEMENT AND  
PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 453C.1, subsection 4, paragraph c, unnumbered paragraph 2, Code 2001, is amended to read as follows:

The term "cigarette" includes "roll-your-own" tobacco, meaning tobacco which, because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making cigarettes. For purposes of this definition of "cigarette", 0.09 ounces of "roll-your-own" tobacco shall constitute one individual "cigarette".

Sec. 2. Section 453C.1, subsection 9, paragraph a, Code 2001, is amended to read as follows:

a. Manufactures cigarettes anywhere that such manufacturer intends to be sold in the United States, including cigarettes intended to be sold in the United States through an importer, except where such importer is an original participating manufacturer, as that term is defined in the master settlement agreement, that will be responsible for the payments under the master settlement agreement with respect to such cigarettes as a result of the provisions of subsection II(mm) of the master settlement agreement and that pays the taxes specified in subsection II(z) of the master settlement agreement and provided that the manufacturer of such cigarettes does not market or advertise such cigarettes in the United States.

Sec. 3. Section 453C.2, subsection 2, paragraph b, subparagraph (1), Code 2001, is amended to read as follows:

(1) To pay a judgment or settlement on any released claim brought against such tobacco product manufacturer by the state or any releasing party located or residing in the state. Funds shall be released from escrow, under this subparagraph (1), (a) in the order in which they were placed into escrow and (b) only to the extent and at the time necessary to make payments required under such judgment or settlement.

Sec. 4. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

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MARY E. KRAMER  
President of the Senate

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BRENT SIEGRIST  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 146, Seventy-ninth General Assembly.

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MICHAEL E. MARSHALL  
Secretary of the Senate

Approved March 30, 2001

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THOMAS J. VILSACK  
Governor