

106TH CONGRESS
1ST SESSION

H. R. 1232

To amend title XIX of the Social Security Act to permit the Secretary of Health and Human Services to waive recoupment of Federal government Medicaid claims to tobacco-related State settlements if the State uses a portion of those funds for programs to reduce the use of tobacco products and to assist in the economic diversification of tobacco farming communities.

IN THE HOUSE OF REPRESENTATIVES

MARCH 23, 1999

Mr. HANSEN (for himself and Mr. MEEHAN) introduced the following bill;
which was referred to the Committee on Commerce

A BILL

To amend title XIX of the Social Security Act to permit the Secretary of Health and Human Services to waive recoupment of Federal government Medicaid claims to tobacco-related State settlements if the State uses a portion of those funds for programs to reduce the use of tobacco products and to assist in the economic diversification of tobacco farming communities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. PERMITTING WAIVER OF RECOUPMENT OF**
2 **MEDICAID TOBACCO-RELATED RECOVERIES**
3 **IF RECOVERIES USED TO REDUCE SMOKING**
4 **AND ASSIST IN ECONOMIC DIVERSIFICATION**
5 **OF TOBACCO FARMING COMMUNITIES.**

6 (a) IN GENERAL.—Section 1903(d)(3) of the Social
7 Security Act (42 U.S.C. 1396b(d)(3)) is amended—

8 (1) by inserting “(A)” before “The”; and

9 (2) by adding at the end the following:

10 “(B) Subparagraph (A) and paragraph (2)(B) shall
11 not apply to any amount recovered or paid to a State as
12 part of a settlement or judgment reached in litigation initi-
13 ated or pursued by a State against one or more manufac-
14 turers of tobacco products, as defined in section 5702(d)
15 of the Internal Revenue Code of 1986, if (and to the ex-
16 tent that) the Secretary finds that following conditions are
17 met:

18 “(i) The Governor or Chief Executive Officer of
19 the State has filed with the Secretary a plan which
20 specifically outlines how at least 25 percent of such
21 amounts, recovered in any fiscal year, will be spent
22 on efforts—

23 “(I) to reduce the use of tobacco products
24 using methods that have been shown to be ef-
25 fective, such as tobacco use cessation programs,
26 enforcement of laws relating to tobacco prod-

1 ucts, community-based programs to discourage
2 the use of tobacco products, and school-based
3 and child-oriented education programs to dis-
4 courage the use of tobacco products, and for
5 ongoing evaluations of these programs;

6 “(II) to fund research necessary to evalu-
7 ate progress in reducing tobacco use and to de-
8 termine the effectiveness of programs to pre-
9 vent tobacco addiction, including surveillance
10 and epidemiology research related to tobacco;

11 “(III) to fund State-wide awareness and
12 advertising efforts to discourage tobacco use;
13 and

14 “(IV) to assist in economic development ef-
15 forts designed to aid tobacco farmers and com-
16 munities as they transition to a more broadly
17 diversified economy.

18 “(ii) All efforts under subclauses (I) through
19 (III) of clause (i) shall take into account the needs
20 of minority populations and other high risk groups
21 who have a greater threat of exposure to tobacco
22 products and advertising.

23 “(iii) All such amounts spent under clause (i)
24 will be spent only in a manner that supplements
25 (and does not supplant) funds previously being spent

1 by the State (or local governments in the State) for
2 such or similar programs or activities.

3 “(iv) Before the beginning of each fiscal year,
4 the Governor or Chief Executive Officer of the State
5 files with the Secretary a report which details how
6 the Federal share of the amounts so recovered have
7 been spent consistent with the plan described in
8 clause (i).”.

9 (b) EFFECTIVE DATE.—The amendments made by
10 subsection (a) apply to amounts recovered or paid to a
11 State before, on, or after the date of enactment of this
12 Act.

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