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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE RESOLUTION

No. 41

Session of  
1999

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INTRODUCED BY ARMSTRONG, FLICK, HUTCHINSON, BAKER, BUTKOVITZ,  
MELIO, FORCIER, STABACK, BARD, BENNINGHOFF, BIRMELIN, CLYMER,  
DAILEY, DALLY, DRUCE, EGOLF, FICHTER, HABAY, HARHART,  
HENNESSEY, HERSHEY, JAMES, KENNEY, LAUGHLIN, LEH, MAHER,  
MAJOR, MARSICO, McNAUGHTON, MICOZZIE, S. MILLER, ORIE, PESCI,  
PIPPY, ROBERTS, ROHRER, ROSS, RUBLEY, SATHER, SAYLOR,  
SCHRODER, SEMMEL, SEYFERT, STAIRS, WILT, WRIGHT, YOUNGBLOOD  
AND ZIMMERMAN, FEBRUARY 17, 1999

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REFERRED TO COMMITTEE ON INTERGOVERNMENTAL AFFAIRS,  
FEBRUARY 17, 1999

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## A RESOLUTION

1 Memorializing the members of Congress from Pennsylvania to  
2 support and pass legislation protecting the states from  
3 Federal seizure of tobacco settlement funds by the Secretary  
4 of Health and Human Services of the United States as an  
5 overpayment under the Federal Medicaid program.

6 WHEREAS, In 1994 the states initiated the first lawsuits  
7 based on violations of state law by the tobacco industry; and

8 WHEREAS, The states, through leadership and years of  
9 commitment to pursuing lawsuits, achieved a comprehensive  
10 settlement with the tobacco industry; and

11 WHEREAS, After bearing all of the risks and expenses in the  
12 negotiations and litigation necessary to proceed with their  
13 lawsuit, a settlement was won by the states without any  
14 assistance from the Congress of the United States or the Federal  
15 Government; and

16 WHEREAS, On November 23, 1998, the states' Attorneys General

1 and the tobacco companies announced a two-prong agreement  
2 focusing on advertising, marketing and lobbying and on monetary  
3 payments which the companies will make to the states; and

4 WHEREAS, The states' Attorneys General carefully crafted the  
5 tobacco agreement to reflect only state costs; and

6 WHEREAS, Medicaid costs were neither a major issue in  
7 negotiating the settlement nor an item mentioned in the final  
8 agreement; and

9 WHEREAS, The Federal Government is not entitled to take away  
10 from the states any of the funds negotiated on their behalf as a  
11 result of state lawsuits; and

12 WHEREAS, The Federal Government can initiate its own lawsuit  
13 or settlement with the tobacco industry; and

14 WHEREAS, The states are entitled to all of the funds awarded  
15 to them in the tobacco settlement agreement without Federal  
16 seizure; therefore be it

17 RESOLVED, That the House of Representatives of the  
18 Commonwealth of Pennsylvania memorialize the Pennsylvania  
19 congressional delegation to support and pass legislation  
20 protecting the states from Federal seizure of tobacco settlement  
21 funds by the Secretary of Health and Human Services of the  
22 United States as an overpayment under the Federal Medicaid  
23 program by amending section 1903(d)(3) of the Social Security  
24 Act (49 Stat. 620, 42 U.S.C. § 1396b(d)(3)); and be it further

25 RESOLVED, That copies of this resolution be transmitted to  
26 the presiding officers of each house of Congress and to each  
27 member of Congress from Pennsylvania.