This bill proposes an amendment to the Minnesota Constitution creating a permanent children's development fund consisting of the proceeds of the settlement of the tobacco lawsuit styled as State v. Philip Morris Inc.

Section

1 **Constitutional amendment.** Proposes an amendment to the Minnesota Constitution. Creates a children's development fund consisting of the proceeds from the tobacco lawsuit styled as State v. Philip Morris Inc. Requires that the assets of the fund be appropriated by law for purposes that will enhance the physical, emotional, and intellectual development of children through the age of eight years, including preventing them from being exposed to and smoking tobacco. Limits the amount that may be appropriated each year in a biennium to a percentage of the settlement proceeds.

2 **Schedule and question.** Requires the amendment to be submitted to the people at the 2000 general election. Specifies the question submitted to the people.

3 **Definitions.** Defines "development fund" as the children's development fund established in the Minnesota Constitution. Defines "young children" as children through the age of eight years.

4 **Development fund not to supplant existing funding.** Requires the development fund to be used as a supplement to, not a substitute for, traditional sources of funding for activities for young children and their parents or activities designed to prevent youth from smoking.

5 **Development fund expenditures.** Lists several activities for which the money in the development fund may be appropriated including improving the lives and health of young children by reducing their incidence of and exposure to smoking and collecting, analyzing, and distributing information that enhances the development of young children.

6 **Royalties; copyrights; patents.** Requires the development fund to own the percentage of a royalty, copyright, or patent resulting from a project supported by the fund equal to the
percentage of the project's total funding provided by the fund. Requires that cash receipts resulting from a royalty, copyright, or patent be credited immediately to the principal of the development fund.

7 Advisory task force. Establishes an 18 member advisory task force jointly appointed by the governor, senate rules and administration committee, and speaker of the house. Requires the task force to report to the legislature by January 15, 2001, its recommendations for a permanent process for making annual biennial recommendations on how the assets of the fund should be spent to accomplish the purposes of the fund.

8 Appropriation. Appropriates an unspecified amount from the general fund to the advisory task force to pay its expenses.

9 Effective date. Makes sections 3 to 8 effective the day following the adoption of the constitutional amendment proposed in sections 1 and 2.