

FEB 09 2001

**Executive Order
01-05**
SECRETARY OF STATE

WHEREAS, the health care needs of Missouri families are of vital importance to the State of Missouri; and

WHEREAS, the marketing and sale of tobacco products have harmed the health of Missourians; and

WHEREAS, in November 1998 the National Association of Attorneys General announced a national settlement with five major tobacco companies and Missouri Attorney General Jay Nixon accepted the proposed settlement on behalf of Missouri; and

WHEREAS, under the terms of the settlement, once finalized, the State of Missouri will recover approximately \$4.5 billion over the next 25 years; and

WHEREAS, by the end of the current fiscal year, approximately \$319 million will be held in escrow for the State of Missouri with anticipated ongoing payments beginning in fiscal year 2002 of approximately \$162 million per year; and

WHEREAS, the State of Missouri has an opportunity to reinvest these tobacco settlement funds to improve the health and lives of Missouri citizens; and

WHEREAS, prescription drug costs have skyrocketed in recent years resulting in an overwhelming financial burden for many seniors in Missouri; and

WHEREAS, over 90 percent of Missouri's counties are designated as shortage areas for health care professionals, and at the same time, many of Missouri's medical facilities that treat the uninsured are facing budget cuts that may force them to reduce medical services to the poor; and

WHEREAS, tobacco use in Missouri remains one of the highest in the nation and almost one third of Missouri's high school students smoke and effective and coordinated programs are needed to prevent our citizens from beginning or to help them stop this addictive and harmful habit; and

WHEREAS, life sciences research will lead to the discovery of new drugs and treatments to improve the health of Missourians, will create opportunities in agriculture, and is critical to the future of Missouri's economy; and

WHEREAS, continued efforts must be made to ensure all Missouri children, including those at-risk children in low-income families, have a healthy start in life and learn to make good preventive health care choices; and

WHEREAS, all Missouri citizens have a right to know how tobacco settlement money is spent and appropriate funds and accounts must be established to properly account for the receipt of this settlement money and, subject to legislative appropriation, to track specifically how tobacco settlement money is spent in connection with each of the areas of need outlined in this order; and

WHEREAS, it is the responsibility of the commissioner of administration to account for all moneys received by the state from any source and to assist in preparing estimates and information concerning receipts and expenditures of all state agencies as required by the governor and general assembly.

NOW, THEREFORE, I, Bob Holden, Governor of the State of Missouri, under the authority vested in me under the constitution and the laws of this state, hereby direct the commissioner of administration to create within the state treasury a Healthy Families Trust Fund and to establish within that fund the following additional accounts:

Healthy Families Trust Fund – Seniors Catastrophic Prescription Drug Account;

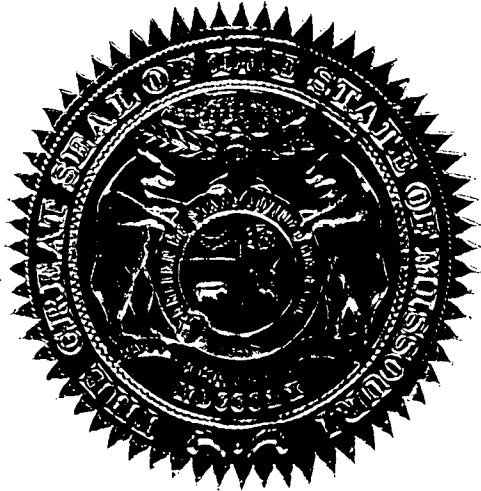
Healthy Families Trust Fund – Health Care Treatment and Access Account;

Healthy Families Trust Fund – Tobacco Prevention, Education, and Cessation Account;

Healthy Families Trust Fund – Life Sciences Research Account; and

Healthy Families Trust Fund – Early Childhood Care and Education Account.

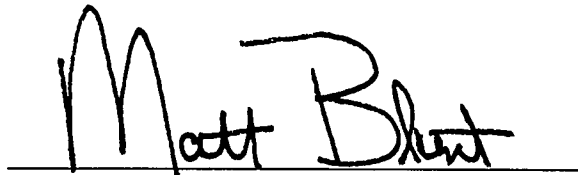
I further direct the commissioner of administration to receive and expend tobacco settlement money in accordance with the budget submitted to the general assembly as amended by truly agreed to and finally passed appropriation bills signed by me.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, On this 9th day of February, 2001.


BOB HOLDEN
GOVERNOR

ATTEST:


SECRETARY OF STATE