

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 6  
Second Edition Engrossed 2/8/99

Short Title: Approve Tobacco Sett. Nonprofit Corp.

(Public)

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Sponsors: Senators Rand; Albertson, Ballance, Carter, Clodfelter, Cooper, Dalton, Dannelly, Garrou, Gulley, Harris, Jordan, Kerr, Kinnaird, Lucas, Martin of Pitt, Martin of Guilford, Metcalf, Miller, Odom, Phillips, Plyler, Purcell, Robinson, Soles, Warren, Weinstein, and Wellons.

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Referred to: Rules and Operations of the Senate.

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January 28, 1999

1                                   A BILL TO BE ENTITLED  
2 AN ACT TO APPROVE THE CREATION OF THE NONPROFIT CORPORATION  
3 ESTABLISHED PURSUANT TO COURT ORDER FOR THE PURPOSES OF  
4 RECEIPT AND DISTRIBUTION OF FIFTY PERCENT OF THE FUNDS  
5 RECEIVED BY THE STATE IN STATE OF NORTH CAROLINA V. PHILIP  
6 MORRIS INCORPORATED, ET AL.

Whereas, the State of North Carolina filed an action against Philip Morris Incorporated, R.J. Reynolds Tobacco Company, Brown & Williamson Tobacco Corporation (individually and as successor by merger to The American Tobacco Company), Lorillard Tobacco Company, and Liggett Group, Inc., on December 21, 1998, entitled State of North Carolina v. Philip Morris Incorporated, Et Al., 98 CVS 14377; and

Whereas, the State of North Carolina entered into a Consent Decree and Final Judgment with the defendants to resolve the action in a manner that addresses the State's claims, while conserving the resources of the parties and the Court; and

Whereas, the Consent Decree and Final Judgment directs the Attorney General to create a nonprofit corporation for purposes of receipt and distribution of fifty percent of the funds allocated to North Carolina; and

Whereas, the Consent Decree and Final Judgment provides that, as a condition precedent to the operation of the nonprofit corporation, the creation of the corporation must be approved by the North Carolina General Assembly not later than March 15, 1999, and must be approved by the Court; Now, therefore,

1 The General Assembly of North Carolina enacts:

2 Section 1. The creation of the nonprofit corporation pursuant to subparagraph  
3 VI.A.1 of the Consent Decree and Final Judgment entered in the action of 98 CVS 14377  
4 on December 21, 1998, is hereby approved for the purposes and on the terms and  
5 conditions set forth in subparagraph VI.A.1 of the Consent Decree and Final Judgment.

6 Section 1.2. Chapter 55A of the General Statutes is amended by adding a new  
7 section to read:

8 "**§ 55A-3-07. Certain corporations subject to Public Records Act and Open Meetings**

9 **Law.**

10 Any corporation organized under this Chapter under the terms of any consent decree  
11 and final judgment in any civil action calling on a state officer to create the corporation,  
12 for the purposes of receipt and distribution of funds allocated to the State of North  
13 Carolina to provide economic impact assistance on account of one industry, is subject to  
14 the Public Records Act (Chapter 132 of the General Statutes) and the Open Meetings  
15 Law (Article 33C of Chapter 143 of the General Statutes.)"

16 Section 2. This act is effective when it becomes law.