## A RESOLUTION

To declare the existence of an emergency, due to congressional review, with respect to the need to amend the Tobacco Product Manufacturer Reserve Fund Complementary Procedures Act of 2004 to allow the District to fulfill its responsibilities under a settlement that protects the District's right to continuing payments under the Master Settlement Agreement.

Proposed Resolution 20-824

See Emergency D.C. Act 20-352 20 DCStat 3347

Tobacco Product Manufacturer Reserve Fund Congressional Review Emergency Declaration Resolution of 2014

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the "Tobacco Product Manufacturer Reserve Fund Congressional Review Emergency Declaration Resolution of 2014."

- Sec. 2. (a) There exists a need to amend the Tobacco Product Manufacturer Reserve Fund Complementary Procedures Act of 2004, effective April 4, 2004 (D.C. Law 15-50; D.C. Official Code § 7-1803.01, *et seq.*) ("Tobacco Reserve Fund Procedures Act"), to permit the District, pursuant to a settlement agreed to by the District and certain tobacco manufacturers, to share with a data clearinghouse certain information provided by District tobacco wholesalers. The District has entered into a multistate settlement with certain tobacco manufacturers, the terms of which were approved by an arbitration panel on March 12, 2013. Through that settlement, the District resolved the manufacturers' claims for downward adjustments to the District's Master Settlement Agreement payments in 2004 through 2015 due to the increased market share of certain other tobacco manufacturers.
- (b) As part of the settlement, the District agreed to a procedure whereby certain cigarette tax information the District collects from District tobacco wholesalers will be shared with a multistate "data clearinghouse" created by the settlement. However, under permanent law, the District is only permitted to share the information that it collects from tobacco wholesalers within the District government and with federal, state, or local governments for law enforcement purposes.
- (c) In March 2014, the data clearinghouse began receiving this information and using it to assist in the process of determining the District's and the states' future MSA payments, keeping company-specific information confidential.
- (d) To ensure that the District will continue to receive payments under the Master Settlement Agreement, section 6(b) of the Tobacco Reserve Fund Procedures Act, D.C. Official Code § 7-1803.05(b), must be amended to permit the information provided by District tobacco wholesalers to be shared with the data clearinghouse.
- (e) An emergency measure, D.C. Act 20-294, adopted in March 2014, permits the District to share information pursuant to the settlement. However, the emergency measure expires on June 10, 2014, and the corresponding temporary measure, D.C. Act 20-321, is not projected to become law until June 21, 2014. The congressional review emergency is necessary to prevent a gap in the law.

Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the Tobacco Product Manufacturer Reserve Fund Congressional Review Emergency Amendment Act of 2014 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.