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2 An act relating to tobacco settlement funds;
3 providing for the use of revenues obtained as a
4 result of the settlement of litigation
5 involving the tobacco industry; providing for a
6 lump sum from certain of such funds to be
7 appropriated to the Department of Health to
8 continue implementation of the Florida Kids
9 Campaign Against Tobacco Pilot Program;
10 providing for distribution of funds in such
11 lump sum to specified agencies for specified
12 purposes; specifying guidelines to be applied
13 by the Legislature in expending funds paid to
14 the state as a result of the settlement of
15 litigation involving the tobacco industry;
16 appropriating funds received as a result of the
17 settlement of litigation by the State of
18 Florida against certain tobacco companies;
19 providing for the deposit of the funds;
20 requiring the Comptroller to enforce
21 appropriations made herein; providing exclusive
22 jurisdiction of such enforcement actions;
23 limiting intervention in such actions;
24 providing effective dates.

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26 Be It Enacted by the Legislature of the State of Florida:

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28 Section 1. There is hereby appropriated a lump sum of
29 \$70 million from the tobacco settlement revenues that were
30 received for the pilot program to the Department of Health to
31 continue implementation of the Florida Kids Campaign Against

1 Tobacco Pilot Program in fiscal year 1998-1999. Funds in the
2 lump sum shall be distributed to the following agencies for
3 the following programs, subject to the notice, review, and
4 objection provisions of section 216.177, Florida Statutes:

5 (1) To the Department of Health for marketing and
6 communications. Such funds shall be used for a media campaign
7 to create and promote messages urging youth to live tobacco
8 free.

9 (2) To the Department of Health for a comprehensive
10 tobacco education and training initiative, directed toward
11 Florida youth in pre-K through grade 12. The initiative should
12 be created through collaborative efforts between the state,
13 local communities, voluntary agencies, school districts,
14 professional organizations, and the State University System
15 and should emphasize intensive, interactive, and coordinated
16 anti-tobacco curricula.

17 (3) To the Department of Health for youth programs and
18 community partnerships. Such funds shall be used to develop
19 community partnerships through the county health departments
20 for implementing community-based tobacco prevention programs,
21 including the needs of the minority youth populations of the
22 state.

23 (4) To the Department of Business and Professional
24 Regulation for enforcement of laws against underage tobacco
25 access and possession through a combination of program
26 development, research, and contracts with local law
27 enforcement agencies. Funding provided to the department shall
28 be used for the purposes of placing enforcement agents in
29 retail locations to deter youth purchasing of tobacco,
30 providing training of store employees, and providing for
31 enforcement efforts near schools.

1 (5) To the Department of Health for evaluation of each
2 aspect of the pilot program. Funding provided shall be used to
3 obtain baseline data on the prevalence of tobacco use among
4 youth and for monitoring changes in tobacco utilization within
5 this group.

6 (6) To the Department of Health or the Department of
7 Business and Professional Regulation, as applicable, for
8 coordination and program administration, not to exceed 5
9 percent of the total funds appropriated in this section. The
10 Executive Office of the Governor may request Administration
11 Commission approval of positions in excess of the number of
12 positions fixed by the Legislature if necessary to implement
13 the approved distribution of funds provided in this section.
14 Positions established or redirected pursuant to this
15 subsection are to be vacated and held in reserve by the
16 Executive Office of the Governor upon completion of the
17 Florida Kids Campaign Against Tobacco Pilot Program.

18 Section 2. The following guidelines shall be applied
19 to the expenditure of all funds paid to the State of Florida
20 as a result of litigation entitled The State of Florida et al.
21 v. American Tobacco Company et al., Case #95-1466AH, in the
22 Circuit Court of the Fifteenth Judicial Circuit, in and for
23 Palm Beach County:

24 (1) The Legislature asserts its rights to appropriate
25 all funds paid or payable to the state through the tobacco
26 settlement. Before any funds are released, the Legislature
27 must approve all program and funding proposals.

28 (2) A trust fund should be created solely for the
29 purpose of receiving and managing settlement funds, and a full
30 and complete record of all budget and expenditure actions
31 should be maintained.

1 (3) Administrative costs associated with programs and
2 providers that receive funds from the tobacco settlement
3 should be set at a reasonable level, consistent with
4 best-management practices.

5 (4) Local law enforcement agencies, businesses, and
6 school districts should be involved in enforcement efforts as
7 appropriate to the mission of each organization.

8 (5) Funds received from the tobacco settlement may not
9 be used for advertising that includes the name, voice, or
10 likeness of any elected or appointed public official.

11 (6) Greater emphasis should be placed on funding
12 education, training, and enforcement programs than is placed
13 on the funding of advertising.

14 (7) County health departments must administer funds
15 provided to each local coalition that is not specifically
16 granted an exemption by the Legislature. Exemptions from
17 requirements to administer coalition programs by county health
18 departments shall be limited to established administrative
19 entities that meet a test of several criteria established by
20 the Department of Health and may not include provider agencies
21 that could receive funding from the settlement.

22 (8) Programs which raise matching funds should be
23 maximized in order to get the greatest leverage of state
24 funds.

25 (9) Grant and contract processes should be competitive
26 and objective.

27 (10) Requests for information or for proposals should
28 emphasize that performance measures will be required for all
29 contracts and grants.

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1 (11) A substantial portion of the program should be
2 character-based and focused on rewarding appropriate values
3 and behavior in youth.

4 (12) Needs of the minority youth community in this
5 state should be addressed.

6 Section 3. (1) The \$330,500,000, plus accrued
7 interest and any other funds on deposit in accounts 3660512058
8 and 3660510843 at NationsBank, N.A., pursuant to Escrow
9 Agreement dated September 15, 1997, and raised as a result of
10 litigation entitled The State of Florida et al. vs. American
11 Tobacco Company, et al., Case #95-1466AH, in the Circuit Court
12 of the Fifteenth Judicial Circuit in and for Palm Beach
13 County, are funds of the State of Florida and are hereby
14 appropriated to the General Revenue Fund, and shall be
15 transferred to the Tobacco Settlement Trust Fund, if such fund
16 is created by law. Further, all subsequent payments made by
17 the settling defendants in said litigation are funds of the
18 State of Florida and are hereby appropriated to said trust
19 fund, or if such trust fund is not created by law, to the
20 General Revenue Fund.

21 (2) This section shall take effect upon becoming a law
22 and shall supersede Section 16 of the 1998-1999 General
23 Appropriations Act.

24 Section 4. (1) The Comptroller shall enforce the
25 appropriation in Section 3 of this act by demanding payment
26 from the depository institution within 2 business days of such
27 section becoming law. If payment is not made within 2 business
28 days of such demand, the Comptroller shall forthwith bring an
29 action for a writ of mandamus or an action at law or such
30 other action as may be necessary to ensure that the state's
31 title to these funds is affirmed. Such action shall be filed

1 in the circuit court of the Second Judicial Circuit, in and
2 for Leon County, which circuit shall have exclusive
3 jurisdiction thereof. Notice of such action shall be served
4 upon any officer of the financial institution, or any other
5 authorized service agent thereof, at any branch office thereof
6 in Leon County. From and after the time this section becomes
7 law, the depository institution is hereby and shall be
8 prohibited from paying any of the respective funds to any
9 person or entity other than the Comptroller of the State of
10 Florida until the final resolution of the action and any
11 appeal therefrom. No person who is not a party to the escrow
12 agreement under which the respective funds were deposited
13 shall be permitted to intervene in such action.

14 (2) This section shall take effect upon becoming a
15 law.

16 Section 5. Except as otherwise provided herein, this
17 act shall take effect July 1 of the year in which enacted.
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