

By the Committee on General Government Appropriations and Representative K. Pruitt

1 A bill to be entitled
2 An act relating to trust funds; creating s.
3 17.41(1)(b) and (2), F.S., relating to tobacco
4 clearing trust funds of the Department of
5 Banking and Finance; creating the Tobacco
6 Settlement Clearing Trust Fund within the
7 department; providing for sources of moneys;
8 providing for exemption from various service
9 charges; providing purposes; providing for
10 investment of such moneys; providing for annual
11 carryforward of funds; proclaiming that the
12 trust fund is exempt from constitutional
13 termination; providing a directive to the
14 Division of Statutory Revision; providing an
15 effective date.

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

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19 Section 1. Paragraph (b) of subsection (1) and
20 subsection (2) of section 17.41, Florida Statutes, are created
21 to read:

22 17.41 Tobacco clearing trust funds.--

23 (1) The following trust funds are hereby created, to
24 be administered by the Department of Banking and Finance:

25 (b) Tobacco Settlement Clearing Trust Fund.

26 1. Funds to be credited to the trust fund shall
27 consist of the initial payment of \$550 million and all
28 subsequent annual payments received by the state from
29 settlement of State of Florida v. American Tobacco Co., Case
30 No. 95-1466AH, in the Circuit Court for the Fifteenth Judicial
31 Circuit, in and for Palm Beach County, Florida. All moneys

1 received from the settlement, other than those deposited as
2 provided in paragraph (a), shall be deposited into the trust
3 fund and are exempt from the service charges imposed under s.
4 215.20. Funds shall be used for the purposes that are
5 permitted or required by the settlement, other than the
6 purpose specified in paragraph (a). Disbursements to other
7 trust funds shall be pursuant to legislative appropriation or
8 an approved amendment to the department's operating budget
9 pursuant to the provisions of chapter 216.

10 2. The State Board of Administration shall invest and
11 reinvest the moneys in the trust fund in accordance with ss.
12 215.44-215.53. Costs and fees of the State Board of
13 Administration for providing such investment services shall be
14 deducted from the earnings accruing to the trust fund.

15 3. Notwithstanding the provisions of s. 216.301 and
16 pursuant to s. 216.351, any balance in the trust fund at the
17 end of any fiscal year shall remain in the trust fund at the
18 end of that year and shall be available for carrying out the
19 purposes of the trust fund.

20 (2) Pursuant to the provisions of s. 19(f)(3), Art.
21 III of the State Constitution, the trust funds listed in
22 subsection (1) are not subject to termination under s.
23 19(f)(2), Art. III of the State Constitution.

24 Section 2. In editing manuscript for the next edition
25 of the official Florida Statutes, the Division of Statutory
26 Revision of the Joint Legislative Management Committee or its
27 successor shall incorporate within s. 17.41, Florida Statutes,
28 as created by this act, all tobacco clearing trust funds
29 created within the Department of Banking and Finance by
30 separate legislation, as required by Section 19(f)(1) of
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1 Article III of the State Constitution, during the 1998 Regular
2 Session of the Legislature or any extension thereof.

3 Section 3. This act shall take effect upon becoming a
4 law.

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7 HOUSE SUMMARY

8
9 Creates the Tobacco Settlement Clearing Trust Fund within
10 the Department of Banking and Finance. Provides for its
11 sources of moneys and purposes. Provides for exemption
12 from various service charges. Provides for investment of
13 moneys in the trust fund. Provides for annual
14 carryforward of funds. Proclaims that the trust fund is
15 exempt from constitutional termination.
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