

By Senator Burt

16-1171-00

1 A bill to be entitled
2 An act relating to creating the Task Force on
3 Tobacco-Settlement-Revenue Protection;
4 providing for membership and duties; providing
5 for staff; providing for expiration of the task
6 force; providing an appropriation; authorizing
7 expenditures; providing an effective date.

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

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11 Section 1. (1) The Task Force on
12 Tobacco-Settlement-Revenue Protection is created to determine
13 the need for and evaluate methods for protecting the state's
14 tobacco settlement revenue from significant loss. The task
15 force shall, at a minimum, study and make a determination of:

16 (a) The degree of risk posed to the amount of
17 tobacco-settlement revenue as a consequence of a decline in
18 domestic tobacco sales.

19 (b) The degree of risk posed to the tobacco-settlement
20 revenue by potential dissolution or restructure of the tobacco
21 companies that were defendants in the state's suit.

22 (c) The necessity and advisability of taking action to
23 protect the asset value of the tobacco settlement.

24 (d) The options available for protecting the asset
25 value of tobacco-settlement revenues, including
26 securitization, insurance, self-insurance, or a combination of
27 these options.

28 (2) The task force is to be composed of:

29 (a) The Governor, who shall serve as chair of the task
30 force;

31 (b) The Comptroller;

- 1 (c) The Insurance Commissioner; and
2 (d) The Attorney General.
3 (3) The task force shall conduct research, hold public
4 hearings, receive testimony, employ consultants, and undertake
5 other activities determined by its members to be necessary.
6 (4) Task force members may not delegate their
7 attendance or voting powers to designees.
8 (5) A vote of three of the four members is required to
9 authorize any action.
10 (6) Staff support for the task force shall be provided
11 by the State Board of Administration.
12 (7) The task force shall cease to exist on October 1,
13 2000.

14 Section 2. For the 2000-2001 fiscal year, the
15 nonrecurring sum of \$250,000 from tobacco-settlement revenues
16 is appropriated to the State Board of Administration to
17 support operation of the task force.

18 Section 3. The task force may commit up to \$100
19 million from nonrecurring tobacco-settlement revenues if it
20 determines that it is necessary to implement an
21 asset-protection strategy so that the state has a high
22 probability of receiving the estimated tobacco-settlement
23 revenue over 30 years.

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

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28 SENATE SUMMARY

29 Creates the Task Force on Tobacco-Settlement-Revenue
30 Protection. Provides duties, membership staffing and
31 operational guidelines. Provides an appropriation and
 provides for expiration of the task force.