

By Senator Burt

41-1291A-01

1 A bill to be entitled
2 An act relating to tobacco-settlement
3 agreements; amending s. 215.5601, F.S.;
4 defining the term "participating manufacturer";
5 revising legislative intent; specifying
6 procedures by which a tobacco manufacturer may
7 become a participating manufacturer; providing
8 for signatories to a specified settlement
9 agreement to be participating manufacturers;
10 providing for funds received from participating
11 manufacturers to be deposited into the Tobacco
12 Settlement Clearing Trust Fund; providing for a
13 portion of unappropriated funds to be deposited
14 into the Lawton Chiles Endowment Fund; amending
15 s. 210.02, F.S.; imposing a price-equalization
16 assessment on cigarettes not manufactured by a
17 participating manufacturer, as defined by the
18 act; providing for calculating the amount of
19 the assessment; amending s. 210.20, F.S.;
20 providing for the deposit of proceeds of the
21 assessment; amending ss. 17.41, 20.435,
22 215.5602, F.S., relating to the Tobacco
23 Settlement Clearing Trust Fund, the Biomedical
24 Research Trust Fund, and the Florida Biomedical
25 Research Program; conforming provisions to
26 changes made by the act; providing an effective
27 date.

28
29 Be It Enacted by the Legislature of the State of Florida:
30
31

1 Section 1. Section 215.5601, Florida Statutes, is
2 amended to read:

3 215.5601 Lawton Chiles Endowment Fund.--

4 (1) SHORT TITLE.--This section may be cited as the
5 "Lawton Chiles Endowment Fund."

6 (2) DEFINITIONS.--As used in this section:

7 (a) "Board" means the State Board of Administration
8 established by s. 16, Art. IX of the State Constitution of
9 1885 and incorporated into s. 9(c), Art. XII of the State
10 Constitution of 1968.

11 (b) "Endowment" means the Lawton Chiles Endowment
12 Fund.

13 (c) "Earnings" means all income generated by
14 investments and the net change in the market value of assets.

15 (d) "Participating manufacturer" means any
16 manufacturer of tobacco products which meets the requirements
17 of subsection (4).

18 (e)~~(d)~~ "State agency" or "state agencies" means the
19 Department of Health, the Department of Children and Family
20 Services, the Department of Elderly Affairs, or the Agency for
21 Health Care Administration, or any combination thereof, as the
22 context indicates.

23 (3) LEGISLATIVE INTENT.--It is the intent of the
24 Legislature to:

25 (a) Provide a perpetual source of funding for the
26 future of state children's health programs, child welfare
27 programs, children's community-based health and human services
28 initiatives, elder programs, and biomedical research
29 activities.

30 (b) Ensure that enhancement revenues will be available
31 to finance these important programs and initiatives.

1 (c) Use funds received from the Tobacco Settlement
2 Clearing Trust Fund moneys to ensure the financial security of
3 vital health and human services programs for children and
4 elders.

5 (d) Encourage the development of community-based
6 solutions to strengthen and improve the quality of life of
7 Florida's most vulnerable citizens, its children and elders.

8 (e) Provide funds for cancer research and
9 public-health research for diseases linked to tobacco use.

10 (f) Provide tobacco manufacturers the opportunity to
11 voluntarily participate in mitigating the impact of the use of
12 tobacco on the residents of this state.

13 (4) PARTICIPATING MANUFACTURERS; QUALIFICATIONS.--

14 (a)1. A tobacco manufacturer may become a
15 participating manufacturer by entering into an agreement with
16 the Attorney General which provides for the following:

17 a. Elimination of the manufacturer's outdoor
18 advertising and transit advertisements at the earlier of the
19 expiration of applicable contracts or 4 months after the date
20 the final list of outdoor advertising signs is supplied to the
21 Attorney General. The manufacturer shall provide a final list
22 of all its outdoor advertising signs and transit
23 advertisements to the Attorney General within 45 days after
24 entering the agreement.

25 b. Support of the state's efforts to mitigate the
26 impact of the use of tobacco through annual payments to the
27 state. On January 1 of each year, the Division of Alcoholic
28 Beverages and Tobacco of the Department of Business and
29 Professional Regulation shall calculate the payment amount,
30 which is due by January 31 of that year. The payment amount
31 shall be based on the number of cigarette packages delivered

1 to wholesale dealers for sale in this state by the
2 manufacturer from January 1 until December 31 of the prior
3 year. The payment amount per package shall be calculated as
4 the total annual payment due to the state pursuant to the
5 settlement agreement in the case of The State of Florida et
6 al., v. American Tobacco Company et al., divided by the total
7 number of packages delivered to wholesale dealers for sale in
8 this state by the four settling manufacturers during the
9 previous 12 months, rounded to the nearest tenth of a cent.

10 2. Cigarettes produced by each manufacturer that fully
11 complies with the agreement entered into with the Attorney
12 General under subparagraph 1. and makes the annual payment by
13 January 31 are exempt from the assessment on cigarettes
14 imposed under s. 210.02(6) for the subsequent 12-month period.

15 (b) All tobacco manufacturers that are signatories to
16 the settlement agreement entered on August 25, 1997, in the
17 case of The State of Florida et al., v. American Tobacco
18 Company et al., and the settlement agreement entered on March
19 15, 1996, in the case of State of West Virginia, State of
20 Florida, State of Mississippi, Commonwealth of Massachusetts,
21 and State of Louisiana v. Brooke Group Ltd. and Liggett Group,
22 Inc., are participating manufacturers. Cigarettes produced by
23 each such manufacturer that fully complies with the applicable
24 settlement agreement and makes the annual payment required
25 under the agreement by December 31 are exempt from the
26 assessment on cigarettes imposed under s. 210.02(6) for the
27 subsequent 12-month period.

28 (c) Funds received from participating manufacturers
29 shall be deposited into the Department of Banking and Finance
30 Tobacco Settlement Clearing Trust Fund.

31

1 ~~(5)(4)~~ LAWTON CHILES ENDOWMENT FUND; CREATION;

2 PURPOSES AND USES.--

3 (a) There is created the Lawton Chiles Endowment Fund,
4 to be administered by the State Board of Administration. The
5 endowment shall serve as a clearing trust fund not subject to
6 termination pursuant to s. 19(f), Art. III of the State
7 Constitution and shall be funded by ~~settlement~~ moneys received
8 from the Tobacco Settlement Clearing Trust Fund ~~industry~~ and
9 by moneys received from the sale of the state's right, title,
10 and interest in and to the tobacco settlement agreement,
11 including the right to receive payments under such agreement.
12 The endowment fund shall be exempt from the service charges
13 imposed by s. 215.20.

14 (b) Funds from the endowment that are available for
15 legislative appropriation pursuant to subsection~~(7)(6)~~ shall
16 be transferred by the board to the Tobacco Settlement Clearing
17 Trust Fund, created in s. 17.41, in the amounts provided for
18 in this paragraph.

19 1. For fiscal year 2000-2001, funds shall be
20 distributed based on legislative appropriations.

21 2. For fiscal year 2001-2002 and beyond, funds shall
22 be distributed annually as follows:

23 a. Fifty percent shall be deposited into a separate
24 account in the Department of Children and Family Services
25 Tobacco Settlement Trust Fund to be appropriated pursuant to
26 paragraph~~(9)(a)(8)(a)~~;

27 b. Thirty-three and one-half percent shall be
28 deposited into the Biomedical Research Trust Fund in the
29 Department of Health to be appropriated pursuant to paragraph
30 ~~(9)(a)(8)(b)~~, if such a trust fund is created by law;

31

1 otherwise, the funds shall be deposited into the Department of
2 Health Tobacco Settlement Trust Fund; and

3 c. The remaining funds shall be deposited into a
4 separate account in the Department of Elderly Affairs Tobacco
5 Settlement Trust Fund to be appropriated pursuant to paragraph
6 (9)(a)~~(8)(a)~~.

7 (c) Subject to legislative appropriations, state
8 agencies shall use distributions from the endowment fund to
9 enhance services for children and elders or to support
10 biomedical research initiatives pursuant to s. 215.5602.

11 (d) No later than October 1 of each year, the
12 Secretary of Health, the Secretary of Children and Family
13 Services, and the Secretary of Health Care Administration
14 shall develop a list of the top five funding priorities for
15 children's services eligible for funding from the endowment
16 funds, and the Secretary of Health, the Secretary of Elderly
17 Affairs, and the Secretary ~~Director~~ of Health Care
18 Administration shall develop a list of the top five funding
19 priorities for elder services eligible for funding from the
20 endowment funds. No later than November 15 of each year, the
21 list for children's services must be submitted to the advisory
22 council for children's services created in paragraph (10)(a)
23 ~~(9)(a)~~, and the list for elder services must be submitted to
24 the advisory council for elder services created in paragraph
25 (10)(a)~~(9)(b)~~. The purposes of using the advisory councils
26 are to evaluate the funding priorities of the agencies, to
27 evaluate the request against the mission and goals of the
28 agencies, to allow for public input and advocacy, and to gain
29 consensus for priority requests and recommended endowment
30 funding levels for those priority requests.

31

1 (e) Funds distributed from the endowment fund may not
2 be used to supplant existing revenues.

3 (f) When advised by the Revenue Estimating Conference
4 that a deficit will occur with respect to the appropriations
5 from the tobacco settlement trust funds of the state agencies
6 in any fiscal year, the Governor shall develop a plan of
7 action to eliminate the deficit. Before implementing the plan
8 of action, the Governor must comply with the provisions of s.
9 216.177(2). In developing the plan of action, the Governor
10 shall, to the extent possible, preserve legislative policy and
11 intent, and, absent any specific directions to the contrary in
12 the General Appropriations Act, any reductions in
13 appropriations from the tobacco settlement trust funds of the
14 state agencies for a fiscal year shall be prorated among the
15 purposes for which funds were appropriated from that Tobacco
16 Settlement Clearing Trust Fund for that year.

17 ~~(6)~~(5) ADMINISTRATION OF THE ENDOWMENT.--

18 (a) The board is authorized to invest and reinvest
19 funds of the endowment in those securities listed in s.
20 215.47, in accordance with the fiduciary standards set forth
21 in s. 215.47(9) and consistent with an investment plan
22 developed by the executive director and approved by the board.
23 Costs and fees of the board for investment services shall be
24 deducted from the earnings accruing to the endowment.

25 (b) The endowment shall be managed as an annuity. The
26 investment objective shall be long-term preservation of the
27 real value of the principal and a specified regular annual
28 cash outflow for appropriation, as nonrecurring revenue. The
29 schedule of annual cash outflow shall be included within the
30 investment plan adopted pursuant to paragraph (a).

31

1 (c) The board shall establish a separate account for
2 the funds of the endowment. The board shall design and operate
3 an investment portfolio that maximizes the financial return to
4 the endowment, consistent with the risks inherent in each
5 investment, and that is designed to preserve an appropriate
6 diversification of the portfolio.

7 (d) No later than August 15 and February 15 of each
8 year, the board shall report on the financial status of the
9 endowment to the Governor, the Speaker of the House of
10 Representatives, the President of the Senate, the chairs of
11 the respective appropriations and appropriate substantive
12 committees of each chamber, and the Revenue Estimating
13 Conference.

14 (e) Accountability for funds from the endowment which
15 have been appropriated to a state agency shall reside with the
16 state agency. The board is not responsible for the proper
17 expenditure or accountability of funds from the endowment
18 after transfer to the Tobacco Settlement Clearing Trust Fund.

19 (f) The board may collect a fee for service from the
20 endowment no greater than that charged to the Florida
21 Retirement System.

22 (7)~~(6)~~ AVAILABILITY OF FUNDS.--

23 (a) Funds from the endowment shall not be available
24 for appropriation to a state agency until July 1, 2000.
25 Beginning July 1, 2000, the maximum annual amount of endowment
26 funds that may be appropriated shall be in accordance with the
27 following, based on earnings averaged over 3 years:

28 1. Beginning July 1, 2000, no more than a level of
29 spending representing earnings at a rate of 3 percent.

30 2. Beginning July 1, 2001, no more than a level of
31 spending representing earnings at a rate of 4 percent.

1 3. Beginning July 1, 2002, no more than a level of
2 spending representing earnings at a rate of 5 percent.

3 4. Beginning July 1, 2003, and thereafter, no more
4 than a level of spending representing earnings at a rate of 6
5 percent.

6 (b) Notwithstanding the provisions of s. 216.301 and
7 pursuant to s. 216.351, all unencumbered balances of
8 appropriations as of June 30 or undisbursed balances as of
9 December 31 shall revert to the endowment's principal.

10 (8)~~(7)~~ ENDOWMENT PRINCIPAL.--The endowment shall
11 receive moneys from the sale of the state's right, title, and
12 interest in and to the tobacco settlement agreement and from
13 amounts transferred from the Department of Banking and Finance
14 Tobacco Settlement Clearing Trust Fund. Amounts to be
15 transferred from the clearing trust fund shall be in the
16 following amounts for the following fiscal years:

17 (a) For fiscal year 1999-2000, \$1.1 billion;

18 (b) For fiscal year 2000-2001, \$200 million;

19 (c) For fiscal year 2001-2002, \$200 million; ~~and~~

20 (d) For fiscal year 2002-2003, \$200 million; ~~and~~.

21 (e) For all subsequent fiscal years, a minimum of \$25
22 million.

23
24 Amounts to be transferred pursuant to paragraphs (b), (c), ~~and~~
25 (d), and (e) shall be reduced by an amount equal to the lesser
26 of \$200 million or the amount the endowment receives in that
27 fiscal year pursuant to the sale of the state's right, title,
28 and interest in and to the tobacco settlement agreement.

29 (9)~~(8)~~ APPROPRIATIONS OF THE ENDOWMENT

30 EARNINGS.--Beginning with fiscal year 2001-2002:

31

1 (a) Appropriations by the Legislature to the
2 Department of Children and Family Services or the Department
3 of Elderly Affairs from the endowment earnings distributed to
4 those departments shall be from a category called Lawton
5 Chiles Endowment Fund Programs. The departments shall
6 distribute such appropriations pursuant to any directions or
7 limitations provided for in the General Appropriations Act and
8 consistent with this section.

9 (b) Appropriations by the Legislature to the
10 Department of Health from the endowment earnings distributed
11 to the department shall be from a category called Florida
12 Biomedical Research Program. The department shall spend such
13 funds in accordance with s. 215.5602.

14 ~~(10)~~(9) LAWTON CHILES ENDOWMENT FUND ADVISORY
15 COUNCILS.--There are established the Lawton Chiles Endowment
16 Fund Advisory Councils, the purpose of which is to evaluate
17 and rank for legislative consideration recommendations
18 submitted to the councils by the agencies for evaluation under
19 paragraph~~(5)~~(d)~~(4)~~(d).

20 (a) There is created within the Department of Children
21 and Family Services the Lawton Chiles Endowment Fund Advisory
22 Council for Children.

23 1. The council shall consist of 13 members, including
24 the director of the United Way of Florida, Inc., or a
25 designee, the director of the Florida Federation of Community
26 Foundations or a designee, the director of the Florida Foster
27 Parents Association or a designee, and the director of the
28 Florida Pediatric Association or a designee. The Governor
29 shall appoint the remaining council members, including:

- 30 a. An academic expert in child health policy.
31 b. A representative of a children's services council.

- 1 c. A representative of the Guardian Ad Litem Program.
- 2 d. A representative of a child welfare lead agency for
3 community-based care.
- 4 e. A representative of a statewide child advocacy
5 organization.
- 6 f. A youth representing a statewide youth
7 organization.
- 8 g. A professional who has expertise in the area of
9 child development.
- 10 h. Two consumer caregivers of children.
- 11 2. The council shall adopt internal organizational
12 procedures, including procedures for the appointment of a
13 chair, as necessary for its efficient organization.
- 14 3. The department shall provide such staff,
15 information, and other assistance as is reasonably necessary
16 to assist the council in carrying out its responsibilities.
- 17 4. Members of the council shall serve without
18 compensation, but may receive reimbursement as provided in s.
19 112.061 for travel and other necessary expenses incurred in
20 the performance of their official duties.
- 21 5. Before February 1 of each year, the council shall
22 advise the Legislature as to its ranking of the children's
23 programs submitted by the agencies for evaluation under
24 paragraph(5)(d)~~(4)(d)~~. The responsibilities of the council
25 may include, but are not limited to:
- 26 a. Developing criteria and guiding principles for the
27 ranking of programs to be recommended to the Legislature.
- 28 b. Evaluating the value of programs or services
29 submitted by the agencies as they relate to overall
30 enhancement for children.
- 31

1 c. Providing recommendations on the funding levels to
2 be allocated for the ranked programs.

3 d. Participating in periodic program evaluation to
4 determine the need for continued funding.

5 e. Soliciting appropriate input from children's
6 advocates and community stakeholders, such as voluntary
7 organizations, community-based care lead agencies, health care
8 delivery systems, business and industry, government agencies,
9 and children's service providers.

10 (b) There is created within the Department of Elderly
11 Affairs the Lawton Chiles Endowment Fund Advisory Council for
12 Elders.

13 1. The council shall consist of 13 members, including
14 the director of the United Way of Florida, Inc., or a
15 designee, the director of the Florida Federation of Community
16 Foundations or a designee, the director of the Florida branch
17 of the American Association of Retired Persons or a designee,
18 the director of the Florida Council on Aging or a designee,
19 and the State Long-Term Care Ombudsman or a designee. The
20 Governor shall appoint the remaining council members,
21 including:

22 a. An academic expert in elder health policy.

23 b. A professional who has experience with the delivery
24 of home care services.

25 c. A physician who is certified in geriatric medical
26 care.

27 d. A professional who has experience with the delivery
28 of services in adult congregate care facilities.

29 e. A professional who has experience with the delivery
30 of services in a nursing home.

31

1 f. Two persons who are over the age of 60 years to
2 represent elders.

3 g. One consumer caregiver for an elderly person.

4 2. The council shall adopt internal organizational
5 procedures, including the appointment of a chair, as necessary
6 for its efficient organization.

7 3. The department shall provide such staff,
8 information, and other assistance as is reasonably necessary
9 to assist the council in carrying out its responsibilities.

10 4. Members of the council shall serve without
11 compensation, but may receive reimbursement as provided in s.
12 112.061 for travel and other necessary expenses incurred in
13 the performance of their official duties.

14 5. Before February 1 of each year, the council shall
15 advise the Legislature as to its ranking of the elder programs
16 submitted by the agencies for evaluation under paragraph
17 (5)(d)~~(4)(d)~~. The responsibilities of the council may
18 include, but are not limited to:

19 a. Developing criteria and guiding principles for the
20 ranking of programs to be recommended to the Legislature.

21 b. Evaluating the value of programs or services
22 submitted by the agencies as they relate to overall
23 enhancement for elders.

24 c. Providing recommendations on the funding levels to
25 be allocated for the ranked programs.

26 d. Participating in periodic program evaluation to
27 determine the need for continued funding.

28 e. Soliciting appropriate input from elder advocates
29 and community stakeholders, such as voluntary organizations,
30 community-based care lead agencies, health care delivery
31

1 systems, business and industry, government agencies, and
2 elder-service providers.

3 Section 2. Section 210.02, Florida Statutes, is
4 amended to read:

5 210.02 Cigarette tax imposed; collection.--

6 (1) An excise or privilege tax, in addition to all
7 other taxes of every kind imposed by law, is imposed upon the
8 sale, receipt, purchase, possession, consumption, handling,
9 distribution, and use of cigarettes in this state, in the
10 following amounts, except as hereinafter otherwise provided,
11 for cigarettes of standard dimensions:

12 (a) Upon all cigarettes weighing not more than 3
13 pounds per thousand, 16.95 mills on each cigarette.

14 (b) Upon all cigarettes weighing more than 3 pounds
15 per thousand and not more than 6 inches long, 33.9 mills on
16 each cigarette.

17 (c) Upon all cigarettes weighing more than 3 pounds
18 per thousand and more than 6 inches long, 67.8 mills on each
19 cigarette.

20 (2) The description of cigarettes contained in
21 paragraphs (a), (b), and (c) of subsection (1) are hereby
22 declared to be standard as to dimensions for taxing purposes
23 as provided in this law and should any cigarette be received,
24 purchased, possessed, sold, offered for sale, given away, or
25 used of a size other than of standard dimensions, the same
26 shall be taxed at the rate of 1.41 cents on each such
27 cigarette.

28 (3) When cigarettes as described in paragraph (1)(a)
29 are packed in varying quantities of 20 cigarettes or less,
30 except manufacturer's free samples authorized under s.
31 210.04(9), the following rate shall govern:

1 (a) Packages containing 10 cigarettes or less require
2 a 16.95-cent tax.

3 (b) Packages containing more than 10 but not more than
4 20 cigarettes require a 33.9-cent tax.

5 (4) When cigarettes as described in paragraph (1)(b)
6 are packed in varying quantities of 20 cigarettes or less,
7 except manufacturer's free samples authorized under s.
8 210.04(9), the following rates shall govern:

9 (a) Packages containing 10 cigarettes or less require
10 a 33.9-cent tax.

11 (b) Packages containing more than 10 but not more than
12 20 cigarettes require a 67.8-cent tax.

13 (5) When cigarettes as described in paragraph (1)(c)
14 are packed in varying quantities of 20 cigarettes or less,
15 except manufacturer's free samples authorized under s.
16 210.04(9), the following rates shall govern:

17 (a) Packages containing 10 cigarettes or less require
18 a 67.8-cent tax.

19 (b) Packages containing more than 10 but not more than
20 20 cigarettes require a 135.6-cent tax.

21 (6) For cigarettes not manufactured by a participating
22 manufacturer as defined in s. 215.5601, beginning February 1,
23 2002, a price-equalization assessment shall be added to the
24 amounts otherwise provided in this section. The division shall
25 calculate the assessment on January 1 of each year, and the
26 assessment shall apply on February 1. The assessment per
27 package shall be calculated as the total annual payment due to
28 the state pursuant to the settlement agreement in the case of
29 The State of Florida et al., v. American Tobacco Company et
30 al., divided by the total number of packages of cigarettes
31 delivered to wholesale dealers for sale in this state by the

1 four settling manufacturers during the previous 12 months,
2 rounded to the nearest tenth of a cent.

3 ~~(7)(6)~~ This tax and any applicable assessment shall be
4 paid by the dealer to the division for deposit and
5 distribution as hereinafter provided upon the first sale or
6 transaction within the state, whether or not such sale or
7 transfer be to the ultimate purchaser or consumer. The seller
8 or dealer shall collect the tax and any applicable assessment
9 from the purchaser or consumer, and the purchaser or consumer
10 shall pay the tax and any applicable assessment to the seller.
11 The seller or dealer shall be responsible for the collection
12 of the tax and any applicable assessment and the payment of
13 the same to the division. All taxes and any applicable
14 assessment are due not later than the 10th day of the month
15 following the calendar month in which they were incurred, and
16 thereafter shall bear interest at the rate of 1 percent per
17 month. If the amount of tax and any applicable assessment due
18 for a given period is assessed without allocating it to any
19 particular month, the interest shall begin with the date of
20 the assessment. Whenever cigarettes are shipped from outside
21 the state to anyone other than a distributing agent or
22 wholesale dealer, the person receiving the cigarettes shall be
23 responsible for the tax and any applicable assessment on said
24 cigarettes and the payment of same to the division.

25 ~~(8)(7)~~ It is the legislative intent that the tax on
26 cigarettes shall be uniform throughout the state.

27 Section 3. Section 210.20, Florida Statutes, is
28 amended to read:

29 210.20 Employees and assistants; distribution of
30 funds.--

31

1 (1) The division under the applicable rules of the
2 Department of Management Services shall have the power to
3 employ such employees and assistants and incur such other
4 expenses as may be necessary for the administration of this
5 part, within the limits of an appropriation for the operation
6 of the Department of Business and Professional Regulation as
7 may be authorized by the General Appropriations Act.

8 (2) As collections are received by the division from
9 such cigarette taxes, it shall pay the same into a trust fund
10 in the State Treasury designated "Cigarette Tax Collection
11 Trust Fund" which shall be paid and distributed as follows:

12 (a) The division shall from month to month certify to
13 the Comptroller the amount derived from the cigarette tax
14 imposed by s. 210.02(1)-(5)~~s. 210.02~~ the service charges
15 provided for in s. 215.20 and less 0.9 percent of the amount
16 derived from the cigarette tax imposed by s. 210.02, which
17 shall be deposited into the Alcoholic Beverage and Tobacco
18 Trust Fund, specifying the amounts to be transferred from the
19 Cigarette Tax Collection Trust Fund and credited on the basis
20 of 2.9 percent of the net collections to the Revenue Sharing
21 Trust Fund for Counties and 29.3 percent of the net
22 collections for the funding of indigent health care to the
23 Public Medical Assistance Trust Fund.

24 (b) The division shall from month to month certify to
25 the Comptroller the amount derived from the assessment imposed
26 by s. 210.02(6), and that amount shall be transferred from the
27 Cigarette Tax Collection Trust Fund and credited to the Lawton
28 Chiles Endowment Fund.

29 ~~(c)~~(b) The division shall from month to month certify
30 to the Comptroller the amount derived from the cigarette tax
31 imposed by s. 210.02 on all cigarettes sold at retail on any

1 property of the Inter-American Center Authority, created by
2 chapter 554, and such amount, less the service charge provided
3 for in s. 215.20, shall be paid to said Inter-American Center
4 Authority by warrant drawn by the Comptroller upon the State
5 Treasury, which amount is hereby appropriated monthly out of
6 such Cigarette Tax Collection Trust Fund.

7 (d)~~(c)~~ Beginning January 1, 1999, and continuing for
8 10 years thereafter, the division shall from month to month
9 certify to the Comptroller the amount derived from the
10 cigarette tax imposed by s. 210.02, less the service charges
11 provided for in s. 215.20 and less 0.9 percent of the amount
12 derived from the cigarette tax imposed by s. 210.02 which
13 shall be deposited into the Alcoholic Beverage and Tobacco
14 Trust Fund, specifying an amount equal to 2.59 percent of the
15 net collections, and that amount shall be paid to the Board of
16 Directors of the H. Lee Moffitt Cancer Center and Research
17 Institute, established under s. 240.512, by warrant drawn by
18 the Comptroller upon the State Treasury. These funds are
19 hereby appropriated monthly out of the Cigarette Tax
20 Collection Trust Fund, to be used for the purpose of
21 constructing, furnishing, and equipping a cancer research
22 facility at the University of South Florida adjacent to the H.
23 Lee Moffitt Cancer Center and Research Institute. In fiscal
24 years 1999-2000 and thereafter with the exception of fiscal
25 year 2008-2009, the appropriation to the H. Lee Moffitt ~~Moffitt~~
26 Cancer Center and Research Institute authorized by this
27 paragraph shall not be less than the amount which would have
28 been paid to the H. Lee Moffitt Cancer Center and Research
29 Institute for fiscal year 1998-1999 had payments been made for
30 the entire fiscal year rather than for a 6-month period
31 thereof.

1 (3) After all distributions hereinabove provided for
2 have been made, the balance of the revenue produced from the
3 tax imposed by this part shall be deposited in the General
4 Revenue Fund.

5 Section 4. Subsection (4) of section 17.41, Florida
6 Statutes, is amended to read:

7 17.41 Department of Banking and Finance Tobacco
8 Settlement Clearing Trust Fund.--

9 (4) Net proceeds of the sale of the tobacco settlement
10 agreement received by the state shall be immediately deposited
11 into the Lawton Chiles Endowment Fund, created in s. 215.5601
12 ~~s. 215.5601(4)~~, without deposit to the Tobacco Settlement

13 Section 5. Paragraph (h) of subsection (1) of section
14 20.435, Florida Statutes, is amended to read:

15 20.435 Department of Health; trust funds.--

16 (1) The following trust funds are hereby created, to
17 be administered by the Department of Health:

18 (h) Biomedical Research Trust Fund.

19 1. Funds to be credited to the trust fund shall
20 consist of funds deposited pursuant to s. 215.5601(5)~~s.~~
21 ~~215.5601(4)~~. Funds shall be used for the purposes of the
22 Florida Biomedical Research Program as specified in s.
23 215.5602. The trust fund is exempt from the service charges
24 imposed by s. 215.20.

25 2. Notwithstanding the provisions of s. 216.301 and
26 pursuant to s. 216.351, any balance in the trust fund at the
27 end of any fiscal year shall remain in the trust fund at the
28 end of the year and shall be available for carrying out the
29 purposes of the trust fund.

30 3. The trust fund shall, unless terminated sooner, be
31 terminated on July 1, 2004.

1 Section 6. Subsection (1) of section 215.5602, Florida
2 Statutes, is amended to read:

3 215.5602 Florida Biomedical Research Program.--

4 (1) There is established within the Department of
5 Health the Florida Biomedical Research Program funded by the
6 proceeds of the Lawton Chiles Endowment Fund pursuant to s.
7 215.5601 ~~s. 215.5601(4)~~. The purpose of the Florida Biomedical
8 Research Program is to support research initiatives that
9 address the health care problems of Floridians in the areas of
10 cancer, cardiovascular disease, stroke, and pulmonary disease.
11 The long-term goals of the program are to:

12 (a) Improve the health of Floridians by researching
13 better prevention, diagnoses, and treatments for cancer,
14 cardiovascular disease, stroke, and pulmonary disease.

15 (b) Expand the foundation of biomedical knowledge
16 relating to the prevention, diagnosis, and treatment of
17 diseases related to tobacco use, including cancer,
18 cardiovascular disease, stroke, and pulmonary disease.

19 (c) Improve the quality of the state's academic health
20 centers by bringing the advances of biomedical research into
21 the training of physicians and other health care providers.

22 (d) Increase the state's per capita funding for
23 biomedical research by undertaking new initiatives in
24 biomedical research that will attract additional funding from
25 outside the state.

26 (e) Stimulate economic activity in the state in areas
27 related to biomedical research, such as the research and
28 production of pharmaceuticals, biotechnology, and medical
29 devices.

30 Section 7. This act shall take effect upon becoming a
31 law.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

SENATE SUMMARY

Imposes a price-equalization assessment on cigarettes that are manufactured by a manufacturer that does not participate in an agreement to support the state's efforts to mitigate the impact of the use of tobacco. Specifies the terms under which a manufacturer may participate in such an agreement and be exempt from the assessment. Provides for the use of funds received from manufacturers who participate in such an agreement and of funds received from assessments against manufacturers who do not participate in such an agreement. (See bill for details.)