

1                                   A bill to be entitled  
2           An act relating to proceeds from the tobacco  
3           settlement; amending s. 569.21, F.S.;  
4           prescribing duties of the Governor and other  
5           officers with respect to monitoring the  
6           revenues from the tobacco settlement; providing  
7           for verification of payment amounts; requiring  
8           reports; authorizing fund transfers to repay  
9           certain costs; providing an effective date.

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

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13           Section 1. Present subsections (2) through (12) of  
14           section 569.21, Florida Statutes, are renumbered as  
15           subsection (3) through (13), respectively, and a new  
16           subsection (2) is added to that section to read:

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18           569.21 Expenditure of tobacco settlement  
19           proceeds.--The following guidelines shall be applied to the  
20           expenditure of all funds paid to the State of Florida as a  
21           result of litigation entitled The State of Florida et al. v.  
22           American Tobacco Company et al., Case #95-1466AH, in the  
23           Circuit Court of the Fifteenth Judicial Circuit, in and for  
24           Palm Beach County:

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26           (2) The Governor, in consultation with the Attorney

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28           General, shall request information from the tobacco industry

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30           with respect to calculating the annual tobacco settlement

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32           payments. The Comptroller or Chief Financial Officer, in  
33           consultation with the Auditor General, shall verify whether  
34           the annual tobacco settlement payments received conform to the  
35           terms of the tobacco settlement. Such verification shall  
36           include, but not be limited to, applying the terms of the

1 tobacco settlement to the information received from the  
2 tobacco industry and identifying inconsistencies in the  
3 calculation or information. The Comptroller or Chief Financial  
4 Officer may obtain contractual services necessary to analyze  
5 and verify the information received from the tobacco industry.

6 (a) If the Comptroller or Chief Financial Officer, in  
7 consultation with the Auditor General, determines that there  
8 has been an underpayment by a settling defendant pursuant to  
9 the tobacco settlement, the Comptroller or Chief Financial  
10 Officer shall notify the Governor, the Attorney General, the  
11 President of the Senate, and the Speaker of the House of  
12 Representatives of such underpayment.

13 (b) The Auditor General shall annually review the  
14 state's process for verifying the annual tobacco settlement  
15 payments as provided in this section. The Auditor General  
16 shall annually report the results of such review to the  
17 President of the Senate, the Speaker of the House of  
18 Representatives, the Governor, the Attorney General, and the  
19 Comptroller or Chief Financial Officer.

20 Section 2. The Governor is authorized to submit a  
21 budget amendment to the Legislative Budget Commission to  
22 transfer funds from the Tobacco Settlement Clearing Trust  
23 Fund, or any of the agency Tobacco Settlement Trust Funds, to  
24 the appropriate trust funds of the Governor, Attorney General,  
25 and Comptroller or Chief Financial Officer to cover costs  
26 incurred to ensure that tobacco settlement receipts comport  
27 with the tobacco settlement. This section authorizes transfers  
28 between agencies, pursuant to the requirements of section  
29 216.292(1)(a), Florida Statutes.

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