

By Senator Haridopolos

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1 A bill to be entitled
 2 An act relating to tobacco settlement agreements;
 3 amending s. 569.23, F.S.; defining a term; requiring
 4 trial courts to stay the execution of all judgments in
 5 favor of certain former class action members during
 6 appellate proceedings upon the posting of a
 7 supersedeas bond or other surety by signatories,
 8 successors, or affiliates of a signatory to a tobacco
 9 settlement agreement applicable to all such judgments;
 10 limiting the total cumulative value of all supersedeas
 11 bonds or other surety to a certain amount; permitting
 12 a court to order a specific defendant that dissipates
 13 assets to avoid payment of a judgment to increase the
 14 surety; providing applicability; providing an
 15 effective date.

16
 17 Be It Enacted by the Legislature of the State of Florida:

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 19 Section 1. Section 569.23, Florida Statutes, is amended to
 20 read:

21 569.23 Supersedeas bond requirements for tobacco settlement
 22 agreement signatories, successors, and affiliates.—

23 (1) As used in this section, the term "tobacco settlement
 24 agreement" means any settlement agreement, as amended, entered
 25 into by the state and one or more cigarette manufacturers in
 26 settlement of *State of Florida v. American Tobacco Co.*, No. 95-
 27 1466AH (Fla. 15th Cir. Ct. 1996).

28 (2) In any civil action involving a signatory, ~~or~~
 29 successor, ~~or an~~ affiliate of a signatory to a ~~the~~ tobacco

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30 settlement agreement, ~~as defined in s. 215.56005(1)(f)~~, the
31 supersedeas appeal bond or other surety to be furnished during
32 the pendency of all appeals or discretionary appellate reviews,
33 including reviews by the United States Supreme Court, of any
34 judgment in such litigation shall be set pursuant to applicable
35 laws or court rules, except that the total cumulative value of
36 all supersedeas bonds or other surety required to stay the
37 execution of the judgment bond for all defendants may not exceed
38 \$100 million for all appellants collectively, regardless of the
39 total value of the judgment.

40 (3) In civil actions against a signatory, successor, or
41 affiliate of a signatory to a tobacco settlement agreement
42 brought by or on behalf of persons who claim or have been
43 determined to be members of a former class action that was
44 decertified in whole or in part, the trial courts shall stay the
45 execution of judgments in any such actions during the pendency
46 of all appeals or discretionary appellate reviews, including
47 reviews by the United States Supreme Court, upon the posting of
48 supersedeas bonds or other surety by the appellants as required
49 by applicable laws or court rules, except that the total
50 cumulative value of all supersedeas bonds or other surety
51 required to stay the execution of all such judgments may not
52 exceed \$100 million for all appellants collectively, regardless
53 of the total value or number of the judgments.

54 (4)-(2) Notwithstanding subsections (2) and (3) subsection
55 (1), if, after notice and hearing, a plaintiff proves by a
56 preponderance of the evidence that a defendant who posted a
57 supersedeas such bond or other equivalent surety is purposefully
58 dissipating assets outside the ordinary course of business to

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59 avoid payment of the judgment, the court may enter necessary
60 orders as to that defendant to protect the plaintiff, including
61 an order that the bond or equivalent surety be posted in an
62 amount up to the full amount of the judgment against that
63 defendant.

64 (5)~~(3)~~ This section does not apply to any past, present, or
65 future action brought by the State of Florida against one or
66 more signatories to the settlement agreement.

67 Section 2. This act shall take effect upon becoming a law,
68 and applies to all judgments entered on or after that date.