

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: Committee Substitute SB 1960

SPONSOR: Committee on Fiscal Policy and Senator Casas

SUBJECT: Tobacco Settlement Trust Fund

DATE: March 24, 1999 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Peters</u>	<u>Hadi</u>	<u>FP</u>	<u>Favorable/CS</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This bill renames the current Tobacco Settlement Trust Fund in the Department of Health to the Department of Health Tobacco Settlement Trust Fund to be administered by the department. The bill provides for a termination date of July 1, 2001, for the following trust funds in the Department of Health: Administrative Trust Fund; Federal Grants Trust Fund; Grants and Donations Trust Fund; Operations and Maintenance Trust Fund; and the Social Services Block Grant Trust Fund.

This bill amends section 20.435, Florida Statutes, and transfers and amends section 569.20, Florida Statutes.

II. Present Situation:

Chapter 98-63, Laws of Florida created the Tobacco Settlement Trust Fund in the Department of Health to accept deposit of all funds received by the state as a result of the settlement of Florida vs. American Tobacco Company, Case No 95-1466AH. Currently, the Department of Health transfers funds appropriated by the Legislature to the various departments. There is a need to account separately for spending of tobacco settlement funds.

III. Effect of Proposed Changes:

The bill renames the Tobacco Settlement Trust Fund the Department of Health Tobacco Settlement Trust Fund. Funds credited to the trust fund are to consist of funds disbursed, by nonoperating transfer, from the Department of Banking and Finance Tobacco Settlement Clearing Trust Fund in amounts equal to the annual appropriations. The bill provides for the reversion of funds to the Department of Banking and Finance Tobacco Settlement Clearing Trust Fund. The trust fund is effective upon becoming law and will be terminated on July 1, 2002.

The bill also provides for a termination date of July 1, 2001 for the following trust funds: Administrative Trust Fund; Federal Grants Trust Fund; Grants and Donations Trust Fund; Operations and Maintenance Trust Fund; and the Social Services Block Grant Trust Fund.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

It is the intent that tobacco settlement funds be deposited into a central clearing trust fund to be managed and invested by the State Board of Administration. Funds will be transferred, by nonoperating transfer, to the department's Tobacco Settlement Trust Fund based on amounts appropriated in the General Appropriations Act. Funds are to be used for the purposes permitted in the tobacco settlement agreement.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
