

# 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: CS/SB 1968

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 creates the Department of Elderly Affairs Tobacco Settlement Trust Fund within the Department of Elderly affairs.

This bill creates section 430.42, Florida Statutes.

## II. Present Situation:

Funds currently being received under the settlement of Florida vs. American Tobacco Company, Case No 95-1466AH, are being deposited in the State Treasury to the credit of an Escrow Account or to the Grants and Donations Trust Fund in the Department of Health. Currently, the Department of Health transfers funds appropriated by the Legislature to the various departments into existing trust funds.

## III. Effect of Proposed Changes:

The bill creates the Department of Elderly Affairs 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 on July 1, 1999 and will be terminated on July 1, 2003, unless terminated sooner by action of the Legislature.

**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:

**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.

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

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