

1 HB402
2 149448-1
3 By Representative Clouse
4 RFD: Ways and Means General Fund
5 First Read: 07-MAR-13

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8 SYNOPSIS: Under existing law, Children First Trust
9 Fund programs are required to be funded through a
10 separate appropriation in a separate act.

11 This bill would make an appropriation of
12 \$39,004,803 from the Children First Trust Fund for
13 the fiscal year ending September 30, 2014, to the
14 entities and for the purposes designated in Section
15 41-15B-2.2, Code of Alabama 1975.

16 This bill would provide for the deposit of
17 tobacco settlement revenues into the Children First
18 Trust Fund, would require the State Director of
19 Finance to notify each agency in writing of the
20 amount of each agency's anticipated allocation,
21 would require quarterly allocation to each agency,
22 and would condition allocations upon the receipt of
23 tobacco funds.

24 This bill would provide for the transfer to
25 the State General Fund during fiscal year 2014 that
26 portion of Children First Trust Fund receipts

1 currently allocated for the State Board of
2 Education.

3 This bill would make an appropriation of
4 \$45,168,359 from other tobacco settlement funds for
5 the fiscal year ending September 30, 2014.

6 This bill would also make a conditional
7 appropriation and allocation of any additional
8 tobacco revenue on recommendation of the Director
9 of Finance, the Chairman of the House Ways and
10 Means General Fund Committee and the Chairman of
11 the Senate Finance and Taxation-General Fund
12 Committee, and approval of the Governor.

13
14 A BILL

15 TO BE ENTITLED

16 AN ACT

17
18 To make an appropriation of \$39,004,803 from the
19 Children First Trust Fund for the fiscal year ending September
20 30, 2014, to the entities and for the purposes designated in
21 Section 41-15B-2.2, Code of Alabama 1975; to provide for the
22 deposit of tobacco settlement revenues into the Children First
23 Trust Fund; to require written notification of anticipated
24 agency allocations by the State Director of Finance; to
25 require quarterly allocations; to condition allocations on
26 receipt of tobacco revenues; to provide for the transfer to
27 the State General Fund during fiscal year 2014 that portion of

1 Children First Trust Fund receipts currently allocated for the
2 State Board of Education; to make an appropriation of
3 \$45,168,359 from other tobacco settlement funds for the fiscal
4 year ending September 30, 2014; and to make a conditional
5 appropriation and allocation of additional tobacco revenues
6 upon the recommendation of the Director of Finance, the
7 Chairman of the House Ways and Means General Fund Committee
8 and the Chairman of the Senate Finance and Taxation-General
9 Fund Committee, and the approval of the Governor.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11 Section 1. (a) There is hereby appropriated from the
12 Children First Trust Fund the sum of \$39,004,803 for the fis-
13 cal year ending September 30, 2014, to the entities and for
14 the purposes designated in Section 41-15B-2.2, Code of Alabama
15 1975 as follows, per the approved plan of investment for each
16 agency:

17	Alcoholic Beverage Control Board	597,104
18	Children's Trust Fund	2,415,005
19	Department of Forensic Sciences	477,091
20	Alabama Department of Human Resources	9,593,095
21	Juvenile Probation Services Fund	4,657,710
22	Alabama Medicaid Agency	1,665,163
23	Alabama Department of Mental Health	2,378,805
24	State Multiple Needs Children's Fund	4,126,550

1	Department of Public Health	4,757,610
2	Of the above appropriation to the Department of	
3	Public Health, \$1,000,000 shall be allocated to	
4	the Hudson Alpha Institute to be used for re-	
5	search for cancer, neurodegenerative diseases,	
6	and psychiatric disorders; \$1,000,000 to the	
7	Mitchell Cancer Institute at the University of	
8	South Alabama; and \$1,000,000 to the School of	
9	Medicine at the University of Alabama at Bir-	
10	mingham for cancer research.	
11	Department of Rehabilitation Services	248,634
12	Department of Youth Services	8,088,036

13 (b) (1) All tobacco revenues from the tobacco
14 settlement received by the state previously designated for the
15 Children First Trust Fund shall be deposited to the Children
16 First Trust Fund within 30 calendar days of receipt of those
17 tobacco revenues.

18 (2) The Director of Finance shall notify each agency
19 and the Department of Children's Affairs in writing prior to
20 September 1, 2013, of the dollar amount of the allocation
21 expected to be received by the agency from the Children First
22 Trust Fund in the fiscal year ending September 30, 2014.

23 (3) At the beginning of each quarter of the fiscal
24 year ending September 30, 2014, the respective agency shall be

1 allocated at least one-fourth of the total amount appropriated
2 and allocated to the agency for that fiscal year when tobacco
3 revenues are available for the respective agency. In the event
4 tobacco revenues are not available for the respective agency
5 until later in the fiscal year then the respective agency
6 shall be allocated an equal quarterly allotment for the
7 quarters that funds are available at the beginning of those
8 quarters. Such allocation shall be made and be available for
9 expenditure by the agency within five working days of the
10 commencement of the quarter. If additional sums are
11 appropriated or allocated, or both, during the fiscal year,
12 these sums shall be equally allocated to the respective agency
13 among the remaining quarters of the fiscal year or may be
14 allocated to the respective agency in one sum if revenues are
15 available. The Department of Children's Affairs shall be
16 notified in writing of all appropriations and allocations from
17 the Children First Trust Fund by the Director of Finance.

18 (4) Allocations from the Children First Trust Fund
19 are conditioned upon the receipt of tobacco revenues.

20 (c) Allocations received pursuant to Section 1 shall
21 be expended in accordance with Section 41-15B-2.2, Code of
22 Alabama 1975.

23 (d) At the conclusion of the fiscal year, any
24 remaining sums in the Children First Trust Fund shall remain
25 in the fund and shall not revert to the General Fund or to any
26 other fund, except as provided by HB ____ or SB ____ of the
27 2013 Regular Session, Act No. ____.

1 Section 2. Notwithstanding any provision of Division
2 1 of Article 17 of Chapter 10 of Title 41, Code of Alabama
3 1975, any provision of Chapter 15B of Title 41, Code of
4 Alabama 1975, or any other provision of law, that portion of
5 Children First Trust Fund receipts currently allocated for the
6 State Board of Education shall be transferred from the
7 Children First Trust Fund to the State General Fund during the
8 fiscal year ending September 30, 2014.

9 Section 3. In addition to the appropriation herein
10 above made, there is hereby appropriated from additional to-
11 bacco settlement funds the sum of \$45,168,359 for the fiscal
12 year ending September 30, 2014 to the following entities:

13 Department of Children's Affairs	250,000
14 21st Century Debt Service	13,000,000
15 Senior Services Trust Fund	1,359,317
16 Alabama Medicaid Agency	28,545,658
17 Department of Senior Services - Medicaid Waiver	2,013,384

18 Section 4. Any additional tobacco revenues available
19 for the fiscal year ending September 30, 2014, shall be
20 conditionally appropriated, conditioned upon the
21 recommendation of the Director of Finance, the Chairman of the
22 House Ways and Means General Fund Committee and the Chairman

1 of the Senate Finance and Taxation-General Fund Committee, and
2 approval of the Governor.

3 Section 5. The Executive Budget Office and the
4 Director of Finance shall allot funds appropriated from the
5 Children First Trust Fund only following the certification by
6 the Commissioner of the Department of Children's Affairs that
7 a plan of investment has been approved for each agency. The
8 Commissioner of the Department of Children's Affairs shall
9 prescribe the form and format on which each agency receiving
10 appropriated funds herein shall submit a plan of investment of
11 said appropriated funds. The plan of investment shall include,
12 but not be limited to, a minimum of four (4) quality assurance
13 items on which a periodic report, as required by the approved
14 plan of investment, is made and as audited by the Examiners of
15 Public Accounts. Quality assurance items shall include the
16 number of children receiving service, an identifiable measure
17 of success of services provided and a prioritized standard of
18 successful measures for future plans of investment. It is the
19 intent of the Legislature that the Commissioner of the
20 Department of Children's Affairs shall be responsible for
21 providing a standard of measurement by which a clear
22 determination can be made through operational reporting and
23 audit reporting of a measurable success of funds appropriated
24 and invested from the Children First Trust Fund; insure funds
25 appropriated herein are invested in viable programs; insure
26 and promote the leverage of appropriated funds herein in every
27 possible manner and coordinated in all possible ways the

1 investment of funds by each service provider to insure that no
2 unproductive expenditures or duplication occurs. The
3 Commissioner of the Department of Children's Affairs shall
4 notify legislators representing the area where a grant from
5 the Children First Trust Fund is designated. The notification
6 shall occur ten days before the funds reach the recipient
7 agency.

8 Section 6. The Commissioner of the Department of
9 Children's Affairs shall report each approved plan of
10 investment to the Joint Interim Legislative Oversight
11 Committee and the Alabama Children's Policy Council. The
12 Commissioner, upon the request of the service agency, may
13 approve an adjusted plan of investment. It is the intent of
14 the Legislature that funds appropriated from the Children
15 First Trust Fund be directed to meet the most immediate needs
16 of children as changing conditions may develop.

17 Section 7. Should any provision of this act be held
18 invalid, the invalidity thereof shall not affect the remaining
19 provisions of the act.

20 Section 8. This act shall become effective
21 immediately upon its passage and approval by the Governor, or
22 upon its otherwise becoming a law.