

1 SB306
2 115346-1
3 By Senator Bedford
4 RFD: Finance and Taxation General Fund
5 First Read: 02-FEB-10

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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 \$44,362,974 from the Children First Trust Fund for
13 the fiscal year ending September 30, 2011, 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 make an appropriation of
25 \$50,407,080 from other tobacco settlement funds for
26 the fiscal year ending September 30, 2011.

1 This bill would also make a conditional
2 appropriation and allocation of any additional
3 tobacco revenue on recommendation of the Director
4 of Finance, the Chairman of the House Government
5 Finance and Appropriations Committee and the
6 Chairman of the Senate Finance and Taxation-General
7 Fund Committee, and approval of the Governor.

8
9 A BILL
10 TO BE ENTITLED
11 AN ACT

12
13 To make an appropriation of \$44,362,974 from the
14 Children First Trust Fund for the fiscal year ending September
15 30, 2011, to the entities and for the purposes designated in
16 Section 41-15B-2.2, Code of Alabama 1975; to provide for the
17 deposit of tobacco settlement revenues into the Children First
18 Trust Fund; to require written notification of anticipated
19 agency allocations by the State Director of Finance; to
20 require quarterly allocations; to condition allocations on
21 receipt of tobacco revenues; to make an appropriation of
22 \$50,407,080 from other tobacco settlement funds for the fiscal
23 year ending September 30, 2011; and to make a conditional
24 appropriation and allocation of additional tobacco revenues
25 upon the recommendation of the Director of Finance, the
26 Chairman of the House Government Finance and Appropriations
27 Committee and the Chairman of the Senate Finance and

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

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. (a) There is hereby appropriated from the
5 Children First Trust Fund the sum of \$44,362,974 for the fis-
6 cal year ending September 30, 2011, to the entities and for
7 the purposes designated in Section 41-15B-2.2, Code of Alabama
8 1975 as follows, per the approved plan of investment for each
9 agency:

| | | |
|----|---------------------------------------|------------|
| 10 | Alcoholic Beverage Control Board | 701,817 |
| 11 | Children's Trust Fund | 3,004,489 |
| 12 | Department of Forensic Sciences | 611,433 |
| 13 | Alabama Department of Human Resources | 11,082,960 |
| 14 | Juvenile Probation Services Fund | 5,541,480 |
| 15 | Alabama Medicaid Agency | 1,939,519 |
| 16 | Alabama Department of Mental Health | 2,770,740 |
| 17 | State Multiple Needs Children's Fund | 3,448,540 |
| 18 | Department of Public Health | 5,541,480 |
| 19 | Department of Rehabilitation Services | 300,000 |
| 20 | Department of Youth Services | 9,420,516 |

21 (b) (1) All tobacco revenues from the tobacco
22 settlement received by the state previously designated for the

1 Children First Trust Fund shall be deposited to the Children
2 First Trust Fund within 30 calendar days of receipt of those
3 tobacco revenues.

4 (2) The Director of Finance shall notify each agency
5 and the Department of Children's Affairs in writing prior to
6 September 1, 2010, of the dollar amount of the allocation
7 expected to be received by the agency from the Children First
8 Trust Fund in the fiscal year ending September 30, 2011.

9 (3) At the beginning of each quarter of the fiscal
10 year ending September 30, 2011, the respective agency shall be
11 allocated at least one-fourth of the total amount appropriated
12 and allocated to the agency for that fiscal year when tobacco
13 revenues are available for the respective agency. In the event
14 tobacco revenues are not available for the respective agency
15 until later in the fiscal year then the respective agency
16 shall be allocated an equal quarterly allotment for the
17 quarters that funds are available at the beginning of those
18 quarters. Such allocation shall be made and be available for
19 expenditure by the agency within five working days of the
20 commencement of the quarter. If additional sums are
21 appropriated or allocated, or both, during the fiscal year,
22 these sums shall be equally allocated to the respective agency
23 among the remaining quarters of the fiscal year or may be
24 allocated to the respective agency in one sum if revenues are
25 available. The Department of Children's Affairs shall be
26 notified in writing of all appropriations and allocations from
27 the Children First Trust Fund by the Director of Finance.

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

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

6 (d) At the conclusion of the fiscal year, any
7 remaining sums in the Children First Trust Fund shall remain
8 in the fund and shall not revert to the General Fund or to any
9 other fund, except as provided by HB ___ or SB ___ of the 2010
10 Regular Session, if enacted into law.

11 Section 2. In addition to the appropriation herein
12 above made, there is hereby appropriated from additional to-
13 bacco settlement funds the sum of \$50,407,080 for the fiscal
14 year ending September 30, 2011 to the following entities:

| | | |
|----|---|------------|
| 15 | Department of Children's Affairs | 200,000 |
| 16 | 21st Century Debt Service | 13,000,000 |
| 17 | Senior Services Trust Fund | 1,583,280 |
| 18 | Alabama Medicaid Agency | 33,248,880 |
| 19 | Department of Senior Services - Medicaid Waiver | 2,374,920 |

20 Section 3. Any additional tobacco revenues available
21 for the fiscal year ending September 30, 2011, shall be
22 conditionally appropriated, conditioned upon the
23 recommendation of the Director of Finance, the Chairman of the

1 House Government Finance and Appropriations Committee and the
2 Chairman of the Senate Finance and Taxation-General Fund
3 Committee, and approval of the Governor.

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

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

8 Section 5. 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 6. 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 7. This act shall become effective
21 immediately upon its passage and approval by the Governor, or
22 upon its otherwise becoming a law.