

1 HB562
2 136139-3
3 By Representative Barton
4 RFD: Ways and Means General Fund
5 First Read: 15-MAR-12

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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 \$41,045,827 from the Children First Trust Fund for
13 the fiscal year ending September 30, 2013, 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 \$45,084,505 from other tobacco settlement funds for
26 the fiscal year ending September 30, 2013.

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 Ways and
5 Means General Fund Committee and the Chairman of
6 the Senate Finance and Taxation-General Fund
7 Committee, and approval of the Governor.

8 This bill would also allow for the transfer
9 of ending cash balances from one agency to another
10 within the Children First Trust Fund.

11
12 A BILL
13 TO BE ENTITLED
14 AN ACT
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16 To make an appropriation of \$41,045,827 from the
17 Children First Trust Fund for the fiscal year ending September
18 30, 2013, to the entities and for the purposes designated in
19 Section 41-15B-2.2, Code of Alabama 1975; to provide for the
20 deposit of tobacco settlement revenues into the Children First
21 Trust Fund; to require written notification of anticipated
22 agency allocations by the State Director of Finance; to
23 require quarterly allocations; to condition allocations on
24 receipt of tobacco revenues; to make an appropriation of
25 \$45,084,505 from other tobacco settlement funds for the fiscal
26 year ending September 30, 2013; to make a conditional
27 appropriation and allocation of additional tobacco revenues

1 upon the recommendation of the Director of Finance, the
2 Chairman of the House Ways and Means General Fund Committee
3 and the Chairman of the Senate Finance and Taxation-General
4 Fund Committee, and the approval of the Governor; and to allow
5 for the transfer of ending cash balances from one agency to
6 another within the Children First Trust Fund.

7 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

8 Section 1. (a) There is hereby appropriated from the
9 Children First Trust Fund the sum of \$41,045,927 for the fis-
10 cal year ending September 30, 2013, to the entities and for
11 the purposes designated in Section 41-15B-2.2, Code of Alabama
12 1975 as follows, per the approved plan of investment for each
13 agency:

14 Department of Forensic Sciences	1,416,466
15 Alabama Department of Human Resources	17,638,368

16 Of the above appropriation to the Department of
17 Human Resources, \$2,520,353 shall be allocated
18 to the Children's Trust Fund, administered by
19 the Department of Human Resources in accordance
20 with Section 41-15B-2.2(b)(4), Code of Alabama,
21 1975; \$5,635,395 shall be allocated to the Mul-
22 tiple Needs Children Fund, administered by the
23 Department of Human Resources, in accordance
24 with Section 41-15B-2.2(b)(5), Code of Alabama
25 1975.

1	Juvenile Probation Services Fund	12,737,044
2	Alabama Medicaid Agency	1,659,460
3	Alabama Department of Mental Health	2,840,008
4	Department of Public Health	4,754,481

5 (b) (1) All tobacco revenues from the tobacco
6 settlement received by the state previously designated for the
7 Children First Trust Fund shall be deposited to the Children
8 First Trust Fund within 30 calendar days of receipt of those
9 tobacco revenues.

10 (2) The Director of Finance shall notify each agency
11 and the Department of Children's Affairs in writing prior to
12 September 1, 2012, of the dollar amount of the allocation
13 expected to be received by the agency from the Children First
14 Trust Fund in the fiscal year ending September 30, 2013.

15 (3) At the beginning of each quarter of the fiscal
16 year ending September 30, 2013, the respective agency shall be
17 allocated at least one-fourth of the total amount appropriated
18 and allocated to the agency for that fiscal year when tobacco
19 revenues are available for the respective agency. In the event
20 tobacco revenues are not available for the respective agency
21 until later in the fiscal year then the respective agency
22 shall be allocated an equal quarterly allotment for the
23 quarters that funds are available at the beginning of those
24 quarters. Such allocation shall be made and be available for

1 expenditure by the agency within five working days of the
2 commencement of the quarter. If additional sums are
3 appropriated or allocated, or both, during the fiscal year,
4 these sums shall be equally allocated to the respective agency
5 among the remaining quarters of the fiscal year or may be
6 allocated to the respective agency in one sum if revenues are
7 available. The Department of Children's Affairs shall be
8 notified in writing of all appropriations and allocations from
9 the Children First Trust Fund by the Director of Finance.

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

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

15 (d) At the conclusion of the fiscal year, any
16 remaining sums in the Children First Trust Fund shall remain
17 in the fund and shall not revert to the General Fund or to any
18 other fund, except as provided by HB ____ or SB ____ of the
19 2012 Regular Session, if enacted into law.

20 Section 2. In addition to the appropriation herein
21 above made, there is hereby appropriated from additional to-
22 bacco settlement funds the sum of \$45,084,505 for the fiscal
23 year ending September 30, 2013, to the following entities:

24 Department of Children's Affairs	250,000
25 21st Century Debt Service	13,000,000

1	Senior Services Trust Fund	1,354,659
2	Alabama Medicaid Agency	28,447,857
3	Department of Senior Services - Medicaid Waiver	2,031,989

4 Section 3. Any additional tobacco revenues available
5 for the fiscal year ending September 30, 2013, shall be
6 conditionally appropriated, conditioned upon the
7 recommendation of the Director of Finance, the Chairman of the
8 House Ways and Means General Fund Committee and the Chairman
9 of the Senate Finance and Taxation-General Fund Committee, and
10 approval of the Governor.

11 Section 4. The Executive Budget Office and the
12 Director of Finance shall allot funds appropriated from the
13 Children First Trust Fund only following the certification by
14 the Commissioner of the Department of Children's Affairs that
15 a plan of investment has been approved for each agency. The
16 Commissioner of the Department of Children's Affairs shall
17 prescribe the form and format on which each agency receiving
18 appropriated funds herein shall submit a plan of investment of
19 said appropriated funds. The plan of investment shall include,
20 but not be limited to, a minimum of four (4) quality assurance
21 items on which a periodic report, as required by the approved
22 plan of investment, is made and as audited by the Examiners of
23 Public Accounts. Quality assurance items shall include the
24 number of children receiving service, an identifiable measure
25 of success of services provided and a prioritized standard of

1 successful measures for future plans of investment. It is the
2 intent of the Legislature that the Commissioner of the
3 Department of Children's Affairs shall be responsible for
4 providing a standard of measurement by which a clear
5 determination can be made through operational reporting and
6 audit reporting of a measurable success of funds appropriated
7 and invested from the Children First Trust Fund; insure funds
8 appropriated herein are invested in viable programs; insure
9 and promote the leverage of appropriated funds herein in every
10 possible manner and coordinated in all possible ways the
11 investment of funds by each service provider to insure that no
12 unproductive expenditures or duplication occurs. The
13 Commissioner of the Department of Children's Affairs shall
14 notify legislators representing the area where a grant from
15 the Children First Trust Fund is designated. The notification
16 shall occur ten days before the funds reach the recipient
17 agency.

18 Section 5. The Commissioner of the Department of
19 Children's Affairs shall report each approved plan of
20 investment to the Joint Interim Legislative Oversight
21 Committee and the Alabama Children's Policy Council. The
22 Commissioner, upon the request of the service agency, may
23 approve an adjusted plan of investment. It is the intent of
24 the Legislature that funds appropriated from the Children
25 First Trust Fund be directed to meet the most immediate needs
26 of children as changing conditions may develop.

1 Section 6. Notwithstanding any provision of Division
2 1 of Article 17 of Chapter 10 of Title 41, Code of Alabama
3 1975, or any provision of Chapter 15B of Title 41, Code of
4 Alabama 1975, or any other provision of law, any remaining
5 cash on hand at September 30, 2012, in the Children First
6 Trust Fund allocated to the Department of Youth Services is
7 hereby appropriated for the fiscal year ended September 30,
8 2013.

9 Section 7. Notwithstanding any provision of Division
10 1 of Article 17 of Chapter 10 of Title 41, Code of Alabama
11 1975, or any provision of Chapter 15B of Title 41, Code of
12 Alabama 1975, or any other provision of law, the unencumbered
13 and unexpended cash on hand at September 30, 2012, in the
14 Children First Trust Fund allocated to the Children's Trust
15 Fund shall be transferred to the Department of Human
16 Resources.

17 Section 8. Notwithstanding any provision of Division
18 1 of Article 17 of Chapter 10 of Title 41, Code of Alabama
19 1975, or any provision of Chapter 15B of Title 41, Code of
20 Alabama 1975, or any other provision of law, the unencumbered
21 and unexpended cash on hand at September 30, 2012, in the
22 Children First Trust Fund allocated to the State Multiple
23 Needs Children's Fund shall be transferred to the Department
24 of Human Resources.

25 Section 9. Notwithstanding any provision of Division
26 1 of Article 17 of Chapter 10 of Title 41, Code of Alabama
27 1975, or any provision of Chapter 15B of Title 41, Code of

1 Alabama 1975, or any other provision of law, the unencumbered
2 and unexpended cash on hand at September 30, 2012, in the
3 Children First Trust Fund allocated to the Alcohol Beverage
4 Control Board shall be transferred to the Department of
5 Forensic Sciences.

6 Section 10. Notwithstanding any provision of
7 Division 1 of Article 17 of Chapter 10 of Title 41, Code of
8 Alabama 1975, or any provision of Chapter 15B of Title 41,
9 Code of Alabama 1975, or any other provision of law, the
10 unencumbered and unexpended cash on hand at September 30,
11 2012, in the Children First Trust Fund allocated to the
12 Department of Rehabilitation Services shall be transferred to
13 the Department of Forensic Sciences.

14 Section 11. Should any provision of this act be held
15 invalid, the invalidity thereof shall not affect the remaining
16 provisions of the act.

17 Section 12. This act shall become effective
18 immediately upon its passage and approval by the Governor, or
19 upon its otherwise becoming a law.