

1 HB221  
2 189426-1  
3 By Representative Warren  
4 RFD: Ways and Means General Fund  
5 First Read: 16-JAN-18

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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 \$38,460,473 from the Children First Trust Fund for  
13 the fiscal year ending September 30, 2019, 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 2019 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                   \$47,788,069 from other tobacco settlement funds for  
5                   the fiscal year ending September 30, 2019.

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 \$38,460,473 from the  
19                   Children First Trust Fund for the fiscal year ending September  
20                   30, 2019, 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 2019 that portion of

1 Children First Trust Fund receipts currently allocated for the  
2 State Board of Education; to make an appropriation of  
3 \$47,788,069 from other tobacco settlement funds for the fiscal  
4 year ending September 30, 2019; 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 \$38,460,473 for the fis-  
13 cal year ending September 30, 2019, 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	426,500
18	Children's Trust Fund	2,487,003
19	Department of Forensic Sciences	511,752
20	Alabama Department of Human Resources	9,700,000
21	Juvenile Probation Services Fund	4,646,647
22	Alabama Medicaid Agency	1,685,236
23	Alabama Department of Mental Health	2,142,457
24	State Multiple Needs Children's Fund	3,845,739

1	Department of Public Health	4,661,058
2	Department of Rehabilitation Services	246,763
3	Department of Youth Services	8,107,318

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

9 (2) The Director of Finance shall notify each agency  
10 and the Department of Children's Affairs in writing prior to  
11 September 1, 2018, of the dollar amount of the allocation  
12 expected to be received by the agency from the Children First  
13 Trust Fund in the fiscal year ending September 30, 2019.

14 (3) At the beginning of each quarter of the fiscal  
15 year ending September 30, 2019, the respective agency shall be  
16 allocated at least one-fourth of the total amount appropriated  
17 and allocated to the agency for that fiscal year when tobacco  
18 revenues are available for the respective agency. In the event  
19 tobacco revenues are not available for the respective agency  
20 until later in the fiscal year then the respective agency  
21 shall be allocated an equal quarterly allotment for the  
22 quarters that funds are available at the beginning of those  
23 quarters. Such allocation shall be made and be available for  
24 expenditure by the agency within five working days of the  
25 commencement of the quarter. If additional sums are

1 appropriated or allocated, or both, during the fiscal year,  
2 these sums shall be equally allocated to the respective agency  
3 among the remaining quarters of the fiscal year or may be  
4 allocated to the respective agency in one sum if revenues are  
5 available. The Department of Early Childhood Education shall  
6 be notified in writing of all appropriations and allocations  
7 from the Children First Trust Fund by the Director of Finance.

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

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

13 (d) At the conclusion of the fiscal year, any  
14 remaining sums in the Children First Trust Fund shall remain  
15 in the fund and shall not revert to the General Fund or to any  
16 other fund.

17 Section 2. Notwithstanding any provision of Division  
18 1 of Article 17 of Chapter 10 of Title 41, Code of Alabama  
19 1975, any provision of Chapter 15B of Title 41, Code of  
20 Alabama 1975, or any other provision of law, that portion of  
21 Children First Trust Fund receipts currently allocated for the  
22 State Board of Education shall be transferred from the  
23 Children First Trust Fund to the State General Fund during the  
24 fiscal year ending September 30, 2019.

25 Section 3. In addition to the appropriation herein  
26 above made, there is hereby appropriated from additional to-

1       bacco settlement funds the sum of \$47,788,069 for the fiscal  
2       year ending September 30, 2019 to the following entities:

3       Department of Early Childhood Education	500,000
4       21st Century Debt Service	16,000,000
5       Senior Services Trust Fund	1,393,862
6       Alabama Medicaid Agency	27,901,260
7       Department of Senior Services - Medicaid Waiver	1,992,947

8               Section 4. Any additional tobacco revenues available  
9       for the fiscal year ending September 30, 2019, shall be  
10       conditionally appropriated, conditioned upon the  
11       recommendation of the Director of Finance, the Chairman of the  
12       House Ways and Means General Fund Committee and the Chairman  
13       of the Senate Finance and Taxation-General Fund Committee, and  
14       approval of the Governor.

15               Section 5. The Executive Budget Office and the  
16       Director of Finance shall allot funds appropriated from the  
17       Children First Trust Fund only following the certification by  
18       the Commissioner of the Department of Early Childhood  
19       Education that a plan of investment has been approved for each  
20       agency. The Commissioner of the Department of Early Childhood  
21       Education shall prescribe the form and format on which each  
22       agency receiving appropriated funds herein shall submit a plan  
23       of investment of said appropriated funds. The plan of

1 investment shall include, but not be limited to, a minimum of  
2 four (4) quality assurance items on which a periodic report,  
3 as required by the approved plan of investment, is made and as  
4 audited by the Examiners of Public Accounts. Quality assurance  
5 items shall include the number of children receiving service,  
6 an identifiable measure of success of services provided and a  
7 prioritized standard of successful measures for future plans  
8 of investment. It is the intent of the Legislature that the  
9 Commissioner of the Department of Early Childhood Education  
10 shall be responsible for providing a standard of measurement  
11 by which a clear determination can be made through operational  
12 reporting and audit reporting of a measurable success of funds  
13 appropriated and invested from the Children First Trust Fund;  
14 insure funds appropriated herein are invested in viable  
15 programs; insure and promote the leverage of appropriated  
16 funds herein in every possible manner and coordinated in all  
17 possible ways the investment of funds by each service provider  
18 to insure that no unproductive expenditures or duplication  
19 occurs. The Commissioner of the Department of Early Childhood  
20 Education shall notify legislators representing the area where  
21 a grant from the Children First Trust Fund is designated. The  
22 notification shall occur ten days before the funds reach the  
23 recipient agency.

24 Section 6. The Commissioner of the Department of  
25 Early Childhood Education shall report each approved plan of  
26 investment to the Joint Interim Legislative Oversight  
27 Committee and the Alabama Children's Policy Council. The



1 Commissioner, upon the request of the service agency, may  
2 approve an adjusted plan of investment. It is the intent of  
3 the Legislature that funds appropriated from the Children  
4 First Trust Fund be directed to meet the most immediate needs  
5 of children as changing conditions may develop.

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

9 Section 8. This act shall become effective  
10 immediately upon its passage and approval by the Governor, or  
11 upon its otherwise becoming a law.