

HB183 INTRODUCED



1 HB183
2 46GB3II-1
3 By Representatives Warren, Reynolds
4 RFD: Ways and Means General Fund
5 First Read: 05-Feb-25

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SYNOPSIS:

This bill makes an appropriation of \$36,616,436 from the Children First Trust Fund for the fiscal year ending September 30, 2026, to the entities and for the purposes designated in Section 41-15B-2.2, Code of Alabama 1975; to provide for the deposit of tobacco settlement revenues into the Children First Trust Fund; to require written notification of anticipated agency allocations by the State Director of Finance; to require quarterly allocations; to condition allocations on receipt of tobacco revenues; to provide for the transfer to the State General Fund during fiscal year 2026 that portion of Children First Trust Fund receipts currently allocated for the State Board of Education; to make an appropriation of \$44,177,773 from other tobacco settlement funds for the fiscal year ending September 30, 2026; and to make a conditional appropriation and allocation of additional tobacco revenues upon the recommendation of the Director of Finance, the Chairman of the House Ways and Means General Fund Committee and the Chairman of the Senate

HB183 INTRODUCED

25 Finance and Taxation-General Fund Committee, and the
26 approval of the Governor.

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A BILL

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TO BE ENTITLED

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AN ACT

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32 To make an appropriation of \$36,616,436 from the Children
33 First Trust Fund for the fiscal year ending September 30,
34 2026, to the entities and for the purposes designated in
35 Section 41-15B-2.2, Code of Alabama 1975; to provide for the
36 deposit of tobacco settlement revenues into the Children First
37 Trust Fund; to require written notification of anticipated
38 agency allocations by the State Director of Finance; to
39 require quarterly allocations; to condition allocations on
40 receipt of tobacco revenues; to provide for the transfer to
41 the State General Fund during fiscal year 2026 that portion of
42 Children First Trust Fund receipts currently allocated for the
43 State Board of Education; to make an appropriation of
44 \$44,177,773 from other tobacco settlement funds for the fiscal
45 year ending September 30, 2026; and to make a conditional
46 appropriation and allocation of additional tobacco revenues
47 upon the recommendation of the Director of Finance, the
48 Chairman of the House Ways and Means General Fund Committee
49 and the Chairman of the Senate Finance and Taxation-General
50 Fund Committee, and the approval of the Governor.

51 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

HB183 INTRODUCED

52 Section 1. (a) There is hereby appropriated from the
 53 Children First Trust Fund the sum of \$36,616,436 for the
 54 fiscal year ending September 30, 2026, to the entities and for
 55 the purposes designated in Section 41-15B-2.2, Code of Alabama
 56 1975 as follows, per the approved plan of investment for each
 57 agency:

58	Alcoholic Beverage Control Board	426,500
59	Children's Trust Fund	2,190,445
60	Department of Forensic Sciences	418,413
61	Alabama Department of Human Resources	7,958,464
62	Juvenile Probation Services Fund	4,482,854
63	Alabama Medicaid Agency	1,551,236
64	Alabama Department of Mental Health	2,142,457
65	State Multiple Needs Children's Fund	4,358,550
66	Department of Public Health	4,766,197
67	Department of Rehabilitation Services	214,002
68	Department of Youth Services	8,107,318

69 (b) (1) All tobacco revenues from the tobacco
 70 settlement received by the state previously designated for the
 71 Children First Trust Fund shall be deposited to the Children
 72 First Trust Fund within 30 calendar days of receipt of those
 73 tobacco revenues.

74 (2) The Director of Finance shall notify each agency
 75 and the Department of Early Childhood Education in writing
 76 prior to September 1, 2025, of the dollar amount of the
 77 allocation expected to be received by the agency from the
 78 Children First Trust Fund in the fiscal year ending September
 79 30, 2026.

HB183 INTRODUCED

80 (3) At the beginning of each quarter of the fiscal year
81 ending September 30, 2026, the respective agency shall be
82 allocated at least one-fourth of the total amount appropriated
83 and allocated to the agency for that fiscal year when tobacco
84 revenues are available for the respective agency. In the event
85 tobacco revenues are not available for the respective agency
86 until later in the fiscal year then the respective agency
87 shall be allocated an equal quarterly allotment for the
88 quarters that funds are available at the beginning of those
89 quarters. Such allocation shall be made and be available for
90 expenditure by the agency within five working days of the
91 commencement of the quarter. If additional sums are
92 appropriated or allocated, or both, during the fiscal year,
93 these sums shall be equally allocated to the respective agency
94 among the remaining quarters of the fiscal year or may be
95 allocated to the respective agency in one sum if revenues are
96 available. The Department of Early Childhood Education shall
97 be notified in writing of all appropriations and allocations
98 from the Children First Trust Fund by the Director of Finance.

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

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

104 (d) At the conclusion of the fiscal year, any remaining
105 sums in the Children First Trust Fund shall remain in the fund
106 and shall not revert to the State General Fund or to any other
107 fund.

HB183 INTRODUCED

108 Section 2. Notwithstanding any provision of Division 1
 109 of Article 17 of Chapter 10 of Title 41, Code of Alabama 1975,
 110 any provision of Chapter 15B of Title 41, Code of Alabama
 111 1975, or any other provision of law, that portion of Children
 112 First Trust Fund receipts currently allocated for the State
 113 Board of Education shall be transferred from the Children
 114 First Trust Fund to the State General Fund during the fiscal
 115 year ending September 30, 2026.

116 Section 3. In addition to the appropriation herein
 117 above made, there is hereby appropriated from additional
 118 tobacco settlement funds the sum of \$44,177,773 for the fiscal
 119 year ending September 30, 2026 to the following entities:

120	Department of Early Childhood Education	142,590
121	21st Century Debt Service	16,000,000
122	Senior Services Trust Fund	1,267,470
123	Alabama Medicaid Agency	24,836,383
124	Department of Senior Services - Medicaid Waiver	1,931,330

125 Section 4. Any additional tobacco revenues available for
 126 the fiscal year ending September 30, 2026, shall be
 127 conditionally appropriated, conditioned upon the
 128 recommendation of the Director of Finance, the Chairman of the
 129 House Ways and Means General Fund Committee and the Chairman
 130 of the Senate Finance and Taxation-General Fund Committee, and
 131 approval of the Governor.

132 Section 5. The Executive Budget Office and the Director
 133 of Finance shall allot funds appropriated from the Children
 134 First Trust Fund only following the certification by the
 135 Secretary of the Department of Early Childhood Education that

HB183 INTRODUCED

136 a plan of investment has been approved for each agency. The
137 Secretary of the Department of Early Childhood Education shall
138 prescribe the form and format on which each agency receiving
139 appropriated funds herein shall submit a plan of investment of
140 said appropriated funds. The plan of investment shall include,
141 but not be limited to, a minimum of four (4) quality assurance
142 items on which a periodic report, as required by the approved
143 plan of investment, is made and as audited by the Examiners of
144 Public Accounts. Quality assurance items shall include the
145 number of children receiving service, an identifiable measure
146 of success of services provided and a prioritized standard of
147 successful measures for future plans of investment. It is the
148 intent of the Legislature that the Secretary of the Department
149 of Early Childhood Education shall be responsible for
150 providing a standard of measurement by which a clear
151 determination can be made through operational reporting and
152 audit reporting of a measurable success of funds appropriated
153 and invested from the Children First Trust Fund; insure funds
154 appropriated herein are invested in viable programs; insure
155 and promote the leverage of appropriated funds herein in every
156 possible manner and coordinated in all possible ways the
157 investment of funds by each service provider to insure that no
158 unproductive expenditures or duplication occurs. The Secretary
159 of the Department of Early Childhood Education shall notify
160 legislators representing the area where a grant from the
161 Children First Trust Fund is designated. The notification
162 shall occur ten days before the funds reach the recipient
163 agency.

HB183 INTRODUCED

164 Section 6. The Secretary of the Department of Early
165 Childhood Education shall report each approved plan of
166 investment to the Joint Interim Legislative Oversight
167 Committee and the Alabama Children's Policy Council. The
168 Secretary, upon the request of the service agency, may approve
169 an adjusted plan of investment. It is the intent of the
170 Legislature that funds appropriated from the Children First
171 Trust Fund be directed to meet the most immediate needs of
172 children as changing conditions may develop.

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

176 Section 8. This act shall become effective immediately
177 upon its passage and approval by the Governor, or its
178 otherwise becoming law.