

## HB251 INTRODUCED



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2      2JUMJKI-1  
3      By Representatives Warren, Reynolds  
4      RFD: Ways and Means Education  
5      First Read: 15-Jan-26

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4     SYNOPSIS:

5                 This bill makes an appropriation of \$36,635,222  
6         from the Children First Trust Fund for the fiscal year  
7         ending September 30, 2027, to the entities and for the  
8         purposes designated in Section 41-15B-2.2, Code of  
9         Alabama 1975; to provide for the deposit of tobacco  
10        settlement revenues into the Children First Trust Fund;  
11        to require written notification of anticipated agency  
12        allocations by the State Director of Finance; to  
13        require quarterly allocations; to condition allocations  
14        on receipt of tobacco revenues; to provide for the  
15        transfer to the State General Fund during fiscal year  
16        2027 that portion of Children First Trust Fund receipts  
17        currently allocated for the State Board of Education;  
18        to make an appropriation of \$43,789,530 from other  
19        tobacco settlement funds for the fiscal year ending  
20        September 30, 2027; and to make a conditional  
21        appropriation and allocation of additional tobacco  
22        revenues upon the recommendation of the Director of  
23        Finance, the Chairman of the House Ways and Means  
24        General Fund Committee and the Chairman of the Senate  
25        Finance and Taxation-General Fund Committee, and the  
26        approval of the Governor.

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29                   A BILL

30                   TO BE ENTITLED

31                   AN ACT

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33                 To make an appropriation of \$36,635,222 from the Children  
34                 First Trust Fund for the fiscal year ending September 30,  
35                 2027, to the entities and for the purposes designated in  
36                 Section 41-15B-2.2, Code of Alabama 1975; to provide for the  
37                 deposit of tobacco settlement revenues into the Children First  
38                 Trust Fund; to require written notification of anticipated  
39                 agency allocations by the State Director of Finance; to  
40                 require quarterly allocations; to condition allocations on  
41                 receipt of tobacco revenues; to provide for the transfer to  
42                 the State General Fund during fiscal year 2027 that portion of  
43                 Children First Trust Fund receipts currently allocated for the  
44                 State Board of Education; to make an appropriation of  
45                 \$43,789,530 from other tobacco settlement funds for the fiscal  
46                 year ending September 30, 2027; and to make a conditional  
47                 appropriation and allocation of additional tobacco revenues  
48                 upon the recommendation of the Director of Finance, the  
49                 Chairman of the House Ways and Means General Fund Committee  
50                 and the Chairman of the Senate Finance and Taxation-General  
51                 Fund Committee, and the approval of the Governor.

52                 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

53                 Section 1. (a) There is hereby appropriated from the  
54                 Children First Trust Fund the sum of \$36,635,222 for the  
55                 fiscal year ending September 30, 2027, to the entities and for  
56                 the purposes designated in Section 41-15B-2.2, Code of Alabama

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57 1975 as follows, per the approved plan of investment for each  
58 agency:

59	Alcoholic Beverage Control Board	414,077
60	Children's Trust Fund	2,000,000
61	Department of Forensic Sciences	418,413
62	Alabama Department of Human Resources	8,853,073
63	Juvenile Probation Services Fund	3,972,864
64	Alabama Medicaid Agency	1,390,782
65	Alabama Department of Mental Health	2,142,457
66	State Multiple Needs Children's Fund	4,358,550
67	Department of Public Health	4,771,403
68	Department of Rehabilitation Services	206,286
69	Department of Youth Services	8,107,317

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

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

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

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

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

109 Section 2. Notwithstanding any provision of Division 1  
110 of Article 17 of Chapter 10 of Title 41, Code of Alabama 1975,  
111 any provision of Chapter 15B of Title 41, Code of Alabama  
112 1975, or any other provision of law, that portion of Children

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113 First Trust Fund receipts currently allocated for the State  
114 Board of Education shall be transferred from the Children  
115 First Trust Fund to the State General Fund during the fiscal  
116 year ending September 30, 2027.

117 Section 3. In addition to the appropriation herein  
118 above made, there is hereby appropriated from additional  
119 tobacco settlement funds the sum of \$43,789,530 for the fiscal  
120 year ending September 30, 2027 to the following entities:

121	Department of Early Childhood Education	128,466
122	21st Century Debt Service	16,000,000
123	Senior Services Trust Fund	1,141,922
124	Alabama Medicaid Agency	24,836,383
125	Department of Senior Services - Medicaid Waiver	1,682,759

126 Section 4. Any additional tobacco revenues available for  
127 the fiscal year ending September 30, 2027, shall be  
128 conditionally appropriated, conditioned upon the  
129 recommendation of the Director of Finance, the Chairman of the  
130 House Ways and Means General Fund Committee and the Chairman  
131 of the Senate Finance and Taxation-General Fund Committee, and  
132 approval of the Governor.

133 Section 5. The Executive Budget Office and the Director  
134 of Finance shall allot funds appropriated from the Children  
135 First Trust Fund only following the certification by the  
136 Secretary of the Department of Early Childhood Education that  
137 a plan of investment has been approved for each agency. The  
138 Secretary of the Department of Early Childhood Education shall  
139 prescribe the form and format on which each agency receiving  
140 appropriated funds herein shall submit a plan of investment of

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

165           Section 6. The Secretary of the Department of Early  
166       Childhood Education shall report each approved plan of  
167       investment to the Joint Interim Legislative Oversight  
168       Committee and the Alabama Children's Policy Council. The

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169 Secretary, upon the request of the service agency, may approve  
170 an adjusted plan of investment. It is the intent of the  
171 Legislature that funds appropriated from the Children First  
172 Trust Fund be directed to meet the most immediate needs of  
173 children as changing conditions may develop.

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

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