

Tobacco and Health Trust Fund Board
Legislative Changes
2018

The following legislation was passed during the 2018 legislative session.

Statutory Meeting and Reporting Requirements. In the past, the Tobacco and Health Trust Fund Board (Board) was required to meet twice a year and submit an annual report to the General Assembly's Appropriations and Public Health Committees on the Board's activities, accomplishments, disbursements, expenditures, and an evaluation of the performance and impact of each program receiving funds from the Trust Fund. Effective October 1, 2018, Section 56 of Public Act 18-168, eliminates the statutory requirement that the Board meet biannually and suspends reporting requirements in any fiscal year following a fiscal year which no funds are transferred into the Trust Fund.

Deposits from the Tobacco Settlement Fund. Prior to the enactment of the FY 19 revised state budget, (Section 60 of Public Act 18-81), deposits to the Trust Fund from the Tobacco Settlement Fund were eliminated from FY 16 to FY 20. P.A. 18- 81 eliminates any further deposits to the Trust Fund beyond FY 20.

Public Act 18-168

Sec. 56. Section 4-28f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2018*):

(a) There is created a Tobacco and Health Trust Fund which shall be a separate nonlapsing fund. The purpose of the trust fund shall be to create a continuing significant source of funds to (1) support and encourage development of programs to reduce tobacco abuse through prevention, education and cessation programs, (2) support and encourage development of programs to reduce substance abuse, and (3) develop and implement programs to meet the unmet physical and mental health needs in the state.

(b) The trust fund may accept transfers from the Tobacco Settlement Fund and may apply for and accept gifts, grants or donations from public or private sources to enable the trust fund to carry out its objectives.

(c) The trust fund shall be administered by a board of trustees, except that the board shall suspend its operations from July 1, 2003, to June 30, 2005, inclusive. The board shall consist of seventeen trustees. The appointment of the initial trustees shall be as follows: (1) The Governor shall appoint four trustees, one of whom shall serve for a term of one year from July 1, 2000, two of whom shall serve for a term of two years from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (2) the speaker of the House of Representatives and the president pro tempore of the Senate each shall appoint two trustees, one of whom shall serve for a term of two years from July 1, 2000, and one of whom

shall serve for a term of three years from July 1, 2000; (3) the majority leader of the House of Representatives and the majority leader of the Senate each shall appoint two trustees, one of whom shall serve for a term of one year from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (4) the minority leader of the House of Representatives and the minority leader of the Senate each shall appoint two trustees, one of whom shall serve for a term of one year from July 1, 2000, and one of whom shall serve for a term of two years from July 1, 2000; and (5) the Secretary of the Office of Policy and Management, or the secretary's designee, shall serve as an ex-officio voting member. Following the expiration of such initial terms, subsequent trustees shall serve for a term of three years. The period of suspension of the board's operations from July 1, 2003, to June 30, 2005, inclusive, shall not be included in the term of any trustee serving on July 1, 2003. The trustees shall serve without compensation except for reimbursement for necessary expenses incurred in performing their duties. The board of trustees shall establish rules of procedure for the conduct of its business which shall include, but not be limited to, criteria, processes and procedures to be used in selecting programs to receive money from the trust fund. The trust fund shall be within the Office of Policy and Management for administrative purposes only. The board of trustees shall, [meet not less than biannually, except during the fiscal years ending June 30, 2004, and June 30, 2005, and,] not later than January first of each year, except [during the fiscal years ending June 30, 2004, and June 30, 2005] [following a fiscal year in which the trust fund does not receive a deposit from the Tobacco Settlement Fund](#), shall submit a report of its activities and accomplishments to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies, in accordance with section 11-4a.

(d) (1) During the period commencing July 1, 2000, and ending June 30, 2003, the board of trustees, by majority vote, may recommend authorization of disbursement from the trust fund for the purposes described in subsection (a) of this section and section 19a-6d, provided the board may not recommend authorization of disbursement of more than fifty per cent of net earnings from the principal of the trust fund for such purposes. For the fiscal year commencing July 1, 2005, and each fiscal year thereafter, the board may recommend authorization of the net earnings from the principal of the trust fund for such purposes. For the fiscal year ending June 30, 2009, and each fiscal year thereafter, the board may recommend authorization of disbursement for such purposes of (A) up to one-half of the annual disbursement from the Tobacco Settlement Fund to the Tobacco and Health Trust Fund from the previous fiscal year, pursuant to section 4-28e, up to a maximum of six million dollars per fiscal year, and (B) the net earnings from the principal of the trust fund from the previous fiscal year. For the fiscal year ending June 30, 2014, and each fiscal year thereafter, the board may recommend authorization of disbursement of up to the total unobligated balance remaining in the trust fund after disbursement in accordance with the provisions of the general statutes and relevant special and public acts for such purposes, not to exceed twelve million dollars per fiscal year. The board's recommendations shall give (i) priority to programs that address tobacco and substance abuse and serve minors, pregnant women and parents of young children, and (ii) consideration to the availability of private matching funds. Recommended disbursements from the trust fund shall be in addition to any resources that would otherwise be appropriated by the state for such purposes and programs.

(2) Except during the fiscal years ending June 30, 2004, and June 30, 2005, the board of trustees shall submit such recommendations for the authorization of disbursement from the trust fund to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies. Not later than thirty days after receipt of such recommendations, said committees shall advise the board of their approval, modifications, if any, or rejection of the board's recommendations. If said joint standing committees do not concur, the speaker of the House of Representatives, the president pro tempore of the Senate, the majority leader of the

House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives and the minority leader of the Senate each shall appoint one member from each of said joint standing committees to serve as a committee on conference. The committee on conference shall submit its report to both committees, which shall vote to accept or reject the report. The report of the committee on conference may not be amended. If a joint standing committee rejects the report of the committee on conference, the board's recommendations shall be deemed approved. If the joint standing committees accept the report of the committee on conference, the joint standing committee having cognizance of matters relating to appropriations and the budgets of state agencies shall advise the board of said joint standing committees' approval or modifications, if any, of the board's recommended disbursement. If said joint standing committees do not act within thirty days after receipt of the board's recommendations for the authorization of disbursement, such recommendations shall be deemed approved. Disbursement from the trust fund shall be in accordance with the board's recommendations as approved or modified by said joint standing committees.

(3) After such recommendations for the authorization of disbursement have been approved or modified pursuant to subdivision (2) of this subsection, any modification in the amount of an authorized disbursement in excess of fifty thousand dollars or ten per cent of the authorized amount, whichever is less, shall be submitted to said joint standing committees and approved, modified or rejected in accordance with the procedure set forth in subdivision (2) of this subsection. Notification of all disbursements from the trust fund made pursuant to this section shall be sent to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies, through the Office of Fiscal Analysis.

(4) The board of trustees shall, not later than February first of each year, except [during the fiscal years ending June 30, 2004, and June 30, 2005] [following a fiscal year in which the trust fund does not receive a deposit from the Tobacco Settlement Fund](#), submit a report to the General Assembly, in accordance with the provisions of section 11-4a, that includes all disbursements and other expenditures from the trust fund and an evaluation of the performance and impact of each program receiving funds from the trust fund. Such report shall also include the criteria and application process used to select programs to receive such funds.

Public Act No. 18-81

Sec. 60. Subsection (c) of section 4-28e of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

[(c) (1) (A) For the fiscal year ending June 30, 2017, disbursements from the Tobacco Settlement Fund shall be made as follows: (i) To the General Fund (I) in the amount identified as "Transfer from Tobacco Settlement Fund" in the General Fund revenue schedule adopted by the General Assembly, and (II) in an amount equal to four million dollars; and (ii) any remainder to the General Fund.] [(B)] (c) For [each of] the fiscal [years] year ending June 30, 2018, and [June 30, 2019] each fiscal year thereafter, disbursements from the Tobacco Settlement Fund shall be made [as follows: (i) To] to the General Fund [(I)] in the amount identified as "Transfer from Tobacco Settlement Fund" in the General Fund revenue

schedule adopted by the General Assembly. [; and (II) in an amount equal to four million dollars; and (ii) any remainder to the Tobacco and Health Trust Fund. (C) For the fiscal year ending June 30, 2020, and each fiscal year thereafter, disbursements from the Tobacco Settlement Fund shall be made as follows: (i) To the Tobacco and Health Trust Fund in an amount equal to six million dollars; (ii) to the General Fund (I) in the amount identified as "Transfer from Tobacco Settlement Fund" in the General Fund revenue schedule adopted by the General Assembly, and (II) in an amount equal to four million dollars; and (iii) any remainder to the Tobacco and Health Trust Fund. (2) For each of the fiscal years ending June 30, 2016, and June 30, 2020, to June 30, 2025, inclusive, the sum of ten million dollars shall be Senate Bill No. 543 Public Act No. 18-81 64 of 105 disbursed from the Tobacco Settlement Fund to the smart start competitive operating grant account established by section 10-507 for grants-in-aid to towns for the purpose of establishing or expanding a preschool program under the jurisdiction of the board of education for the town.]