ACT #2025 - 252

HB183

46GB3II-2

By Representatives Warren, Reynolds

RFD: Ways and Means General Fund

First Read: 05-Feb-25

Enrolled, An Act,

To make 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 Finance and Taxation-General Fund Committee, and the approval of the Governor.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) There is hereby appropriated from the Children First Trust Fund the sum of $36,616,436 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 as follows, per the approved plan of investment for each agency:

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

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

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

(3) At the beginning of each quarter of the fiscal year ending September 30, 2026, the respective agency shall be allocated at least one-fourth of the total amount appropriated and allocated to the agency for that fiscal year when tobacco revenues are available for the respective agency. In the event tobacco revenues are not available for the respective agency

until later in the fiscal year then the respective agency shall be allocated an equal quarterly allotment for the quarters that funds are available at the beginning of those quarters. Such allocation shall be made and be available for expenditure by the agency within five working days of the commencement of the quarter. If additional sums are appropriated or allocated, or both, during the fiscal year, these sums shall be equally allocated to the respective agency among the remaining quarters of the fiscal year or may be allocated to the respective agency in one sum if revenues are available. The Department of Early Childhood Education shall be notified in writing of all appropriations and allocations from the Children First Trust Fund by the Director of Finance.

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

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

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

Section 2. Notwithstanding any provision of Division 1 of Article 17 of Chapter 10 of Title 41, Code of Alabama 1975, any provision of Chapter 15B of Title 41, Code of Alabama 1975, or any other provision of law, that portion of Children First Trust Fund receipts currently allocated for the State Board of Education shall be transferred from the Children

First Trust Fund to the State General Fund during the fiscal year ending September 30, 2026.

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

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

Section 4. Any additional tobacco revenues available for the fiscal year ending September 30, 2026, shall be conditionally appropriated, conditioned 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 Finance and Taxation-General Fund Committee, and approval of the Governor.

Section 5. The Executive Budget Office and the Director of Finance shall allot funds appropriated from the Children First Trust Fund only following the certification by the Secretary of the Department of Early Childhood Education that a plan of investment has been approved for each agency. The Secretary of the Department of Early Childhood Education shall prescribe the form and format on which each agency receiving appropriated funds herein shall submit a plan of investment of said appropriated funds. The plan of investment shall include, but not be limited to, a minimum of four (4) quality assurance

items on which a periodic report, as required by the approved plan of investment, is made and as audited by the Examiners of Public Accounts. Quality assurance items shall include the number of children receiving service, an identifiable measure of success of services provided and a prioritized standard of successful measures for future plans of investment. It is the intent of the Legislature that the Secretary of the Department of Early Childhood Education shall be responsible for providing a standard of measurement by which a clear determination can be made through operational reporting and audit reporting of a measurable success of funds appropriated and invested from the Children First Trust Fund; insure funds appropriated herein are invested in viable programs; insure and promote the leverage of appropriated funds herein in every possible manner and coordinated in all possible ways the investment of funds by each service provider to insure that no unproductive expenditures or duplication occurs. The Secretary of the Department of Early Childhood Education shall notify legislators representing the area where a grant from the Children First Trust Fund is designated. The notification shall occur ten days before the funds reach the recipient agency.

Section 6. The Secretary of the Department of Early Childhood Education shall report each approved plan of investment to the Joint Interim Legislative Oversight Committee and the Alabama Children's Policy Council. The Secretary, upon the request of the service agency, may approve an adjusted plan of investment. It is the intent of the

Legislature that funds appropriated from the Children First Trust Fund be directed to meet the most immediate needs of children as changing conditions may develop.

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

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

Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 03-Apr-25.

John Treadwell
Clerk

Senate 29-Apr-25 Passed

APPROVED 5.5.2025

TIME 10:00 AM

Kay Ivey
GOVERNOR

Alabama Secretary Of State

Act Num....: 2025-252
Bill Num...: H-183

Recv'd 05/05/25 02:19pmKCW

ORIGINAL
House Bill No. 183

SPONSOR	DIST. NO.
1 Wamp	

CO-SPONSORS

2 Reynolds 21		28	
3 Ward		29	
4		30	
5		31	
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HOUSE ACTION

DATE: 3-3 2025
RD 1 RFD W.M. W&F

REPORT OF STANDING COMMITTEE
This bill having been referred by the House to its standing committee on W&M was acted upon by such committee in session, and returned therefrom to the House with the recommendation that it be Passed, w/amend(s)_____ w/sub_____
this 1 day of April, 2025.
Reynolds 21, Chairperson

DATE: 4-1 2025
RF RD 2 CAL

DATE: 20__
RE-REFERRED ☐ RE-COMMITTED ☐
Committee_____

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill,
HB 183
YEAS 102 NAYS 0
JEFF WOODARD,
Clerk

FURTHER HOUSE ACTION (OVER)

SENATE ACTION

W&M F&T G

DATE: 4-15 2025
RD 1 RFD F&T G

This Bill was referred to the Standing Committee of the Senate on F&T G
and was acted upon by such Committee in session and is by order of the Committee returned therefrom with a favorable report
w/amd(s)_____ w/sub_____ w/eng sub_____
by a vote of
yeas 14 nays 0 abstain 0
this 24th day of April 20 25
_____, Chairperson

DATE: 4-24 2025
RF FAU RD 2 ☐ CAL ☐

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill,
HB 183
YEAS 31 NAYS 0
PATRICK HARRIS,
Secretary

DATE: 4-29-25 RD 3 at length
PASSED ☑ PASSED AS AMENDED ☐
YEAS 31 NAYS 0
And was ordered returned forthwith to the House.
PATRICK HARRIS,
Secretary

DATE: 20__
INDEFINITELY POSTPONED YEAS NAYS

DATE: 20__
RECONSIDERED YEAS NAYS

FURTHER SENATE ACTION (OVER)