

Committee Substitute for House Bill No. 1721

An act relating to tobacco; creating s. 215.56005, F.S.; providing definitions; creating the Tobacco Settlement Financing Corporation; providing purposes; providing for a governing board of directors; providing for membership; providing powers of the corporation; authorizing the corporation to enter into certain purchase agreements with the Department of Banking and Finance for certain purposes; authorizing the corporation to issue bonds for certain purposes; providing requirements, limitations, and procedures for issuing such bonds; providing application; providing limitations; limiting liability of the corporation; exempting the corporation from taxation; providing for continued existence of the corporation; authorizing the Auditor General to conduct financial audits of the corporation; providing severability; specifying powers of the Department of Banking and Finance; amending s. 17.41, F.S.; revising provisions relating to deposit into and disbursement of moneys from the Tobacco Settlement Clearing Trust Fund; authorizing sale of the state's right, title, and interest in the tobacco settlement agreement to the corporation; providing for payment of certain moneys into the Tobacco Settlement Clearing Trust Fund; providing for deposit of net proceeds of the sale of the tobacco settlement agreement into the Lawton Chiles Endowment Fund; amending s. 215.5601, F.S.; providing for additional funding of the Lawton Chiles Endowment Fund; revising provisions relating to transfer of endowment moneys; clarifying administration of the endowment; providing for receipt by the endowment of minimum amounts in certain fiscal years; creating s. 768.733, F.S.; prescribing the amount of bond or equivalent surety required to stay the execution of punitive-damages judgments in class-action suits, pending appellate review; providing for application of the act to certain pending cases; providing for a Task Force on Tobacco-Settlement-Revenue Protection; providing for membership and duties, including reports to the Legislature; providing for staff; providing for expiration of the task force; providing funds to purchase stranded tobacco farming equipment; providing for resale of purchased equipment with restrictions; providing for use of proceeds from resale of equipment; providing appropriations; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 215.56005, Florida Statutes, is created to read:

215.56005 Tobacco Settlement Financing Corporation.—

(1) DEFINITIONS.—As used in this section:

(a) “Bond” means any bond, debenture, note, certificate, or other obligation of financial indebtedness issued by the corporation under this section.

(b) "Corporation" means the Tobacco Settlement Financing Corporation created by this section.

(c) "Department" means the Department of Banking and Finance or its successor.

(d) "Purchase agreement" means a contract between the corporation and the State of Florida, acting by and through the department, in which the State of Florida sells to the corporation any or all of the state's right, title, and interest in and to the tobacco settlement agreement, including, but not limited to, the moneys to be received thereunder.

(e) "State" means the State of Florida.

(f) "Tobacco settlement agreement" means the settlement agreement, as amended, entered into by the state and participating cigarette manufacturers in settlement of State of Florida v. American Tobacco Co., No. 95-1466AH (Fla. 15th Cir. Ct. 1996).

(2)(a) CORPORATION CREATION AND AUTHORITY.—The Tobacco Settlement Financing Corporation is hereby created as a special purpose, not-for-profit, public benefits corporation, for the purpose of purchasing any or all of the state's right, title, and interest in and to the tobacco settlement agreement and issuing bonds to pay the purchase price therefor which shall be used to provide funding for the Lawton Chiles Endowment Fund. The corporation is authorized to purchase any or all of the state's right, title, and interest in and to the tobacco settlement agreement and to issue bonds to pay the purchase price therefor. The proceeds derived by the state from the sale of any or all of the state's right, title, and interest in and to the tobacco settlement agreement shall be used to fund the Lawton Chiles Endowment Fund. The fulfillment of the purposes of the corporation promotes the health, safety, and general welfare of the people of this state and serves essential governmental functions and a paramount public purpose.

(b) The corporation shall be governed by a board of directors consisting of the Governor, the Treasurer, the Comptroller, the Attorney General, two directors appointed from the membership of the Senate by the President of the Senate, and two directors appointed from the membership of the House of Representatives by the Speaker of the House of Representatives. On January 7, 2003, the board shall include the Chief Financial Officer or the Chief Financial Officer's designee, in place of the Treasurer and the Comptroller or their designees. The executive director of the State Board of Administration shall be the chief executive officer of the corporation and shall direct and supervise the administrative affairs and operation of the corporation. The corporation shall also have such other officers as may be determined by the board of directors.

(c) The corporation shall have all the powers of a corporate body under the laws of this state, including, but not limited to, the powers of corporations under chapter 617, to the extent not inconsistent with or restricted by the provisions of this section, including, but not limited to, the power to:

1. Adopt, amend, and repeal bylaws not inconsistent with this section.
2. Sue and be sued.
3. Adopt and use a common seal.
4. Acquire, purchase, hold, lease, and convey real and personal property, contract rights, general intangibles, revenues, moneys, and accounts as may be proper or expedient to carry out the purposes of the corporation and this section, and to assign, convey, sell, transfer, lease, or otherwise dispose of such property.
5. Elect or appoint and employ such officers, agents, and employees as the corporation deems advisable to operate and manage the affairs of the corporation, which officers, agents, and employees may be employees of this state or of the state officers and agencies represented on the board of directors of the corporation.
6. Make and execute any and all contracts, trust agreements, trust indentures, and other instruments and agreements necessary or convenient to accomplish the purposes of the corporation and this section, including but not limited to investment contracts, swap agreements, or liquidity facilities.
7. Select, retain, and employ professionals, contractors, or agents, which may include the Division of Bond Finance of the State Board of Administration, as necessary or convenient to enable or assist the corporation in carrying out the purposes of the corporation.
8. Do any act or thing necessary or convenient to carry out the purposes of the corporation subject to approval of the Legislature where required in this section.

(d) The corporation is authorized to enter into one or more purchase agreements with the department pursuant to which the corporation purchases any or all of the state's right, title, and interest in and to the tobacco settlement agreement and to execute and deliver any other documents necessary or desirable to effectuate such purchase. Sale of all or part of the state's right, title, and interest in and to the tobacco settlement agreement is subject to approval by the Legislature in a regular, extended, or special session. The tobacco settlement agreement moneys received pursuant to the purchase agreements may be used for the costs and expenses of administration of the corporation.

(e)1. The corporation may issue bonds payable from and secured by amounts payable to the corporation pursuant to the tobacco settlement agreement. Issuance of bonds by the corporation is subject to approval by the Legislature in a regular, extended, or special session. In addition, the corporation is authorized to issue bonds to refund previously issued bonds and to deposit the proceeds of such bonds as provided in the documents authorizing the issuance of such bonds. The corporation is authorized to do all things necessary or desirable in connection with the issuance of the bonds, including, but not limited to, establishing debt service reserves or other additional security for the bonds, providing for capitalized interest, and executing and

delivering any and all documents and agreements. The total principal amount of bonds issued by the corporation shall not exceed \$3.0 billion. The principal amount of bonds issued in any single fiscal year shall not exceed \$1.5 billion, beginning with the 2000-2001 fiscal year. The limitation on the principal amount of bonds issued by the corporation shall not apply to bonds issued to refund previously issued bonds. No series of bonds issued shall have a true interest cost rate of more than 4 percent over the yield on U.S. Treasury obligations which have a maturity approximately equal to the average life of such series of bonds. Satisfaction of the foregoing interest rate limitation shall be determined on the date such bonds are sold or a definitive agreement to sell such bonds at specified prices or yields is executed and delivered. The corporation may sell bonds through competitive bidding or negotiated contracts, whichever method of sale is determined by the corporation to be in the best interest of the corporation.

2. The corporation does not have the power to pledge the credit, the general revenues, or the taxing power of the state or of any political subdivision of the state. The obligations of the department and the corporation under the purchase agreement and under any bonds shall not constitute a general obligation of the state or a pledge of the faith and credit or taxing power of the state. The bonds shall be payable from and secured by payments received under the tobacco settlement agreement and neither the state nor any of its agencies shall have any liability on such bonds. Such bonds shall not be construed in any manner as an obligation of the state or any agency of the state, the department, the State Board of Administration or entities for which the State Board of Administration invests funds, or board members or their respective agencies. The corporation shall not be authorized to expend moneys for payment of debt service on bonds from any source other than revenues received under the tobacco settlement agreement or reserves, funds, or accounts established pursuant to documents authorizing the issuance of such bonds.

3. The corporation may validate any bonds issued pursuant to this paragraph and the security for payment for such bonds, as provided in chapter 75. The validation complaint shall be filed only in the circuit court for Leon County. The notice required under s. 75.06 shall be published in Leon County and the complaint and order of the circuit court shall be served only on the State Attorney for the Second Judicial Circuit. The provisions of ss. 75.04(2) and 75.06(2) shall not apply to a validation complaint filed as authorized in this paragraph. The validation of the first bonds issued pursuant to this paragraph may be appealed to the Supreme Court and such appeal shall be handled on an expedited basis.

4. The state hereby covenants with the holders of bonds of the corporation that the state will not limit or alter the authority or the rights under this section vested in the corporation to fulfill the terms of any agreement, including the terms of any purchase agreement, or in any way impair the rights and remedies of such bondholders until at least one year and one day after which no such bonds remain outstanding unless adequate provision has been made for the payment of such bonds pursuant to the documents authorizing such bonds.

5. The corporation shall not take any action which will materially and adversely affect the rights of holders of any bonds issued under this paragraph as long as such bonds are outstanding.

6. Until at least one year and one day after which no bonds of the corporation remain outstanding, the corporation shall not have the authority to file a voluntary petition under chapter 9 of the federal Bankruptcy Code or such corresponding chapter or sections as may be in effect, from time to time, and neither any public officer nor any organization, entity, or other person shall authorize the corporation to be or become a debtor under chapter 9 of the federal Bankruptcy Code or such corresponding chapter or sections as may be in effect, from time to time, during any such period. The state hereby covenants with the holders of bonds of the corporation that the state will not limit or alter the denial of authority to file bankruptcy under this paragraph until at least one year and one day after which no bonds of the corporation remain outstanding.

7. The corporation may contract with the State Board of Administration to serve as trustee with respect to bonds issued by the corporation as provided by this paragraph and to hold, administer, and invest proceeds of such bonds and other funds of the corporation and to perform other services required by the corporation. The State Board of Administration may perform such services and may contract with others to provide all or a part of such services and to recover the costs and expenses of providing such services.

(f) Notwithstanding any other provision of law, any pledge of or other security interest in revenues, moneys, accounts, contract rights, general intangibles, or other personal property made or created by the corporation or department resulting from the authority of this section shall be valid, binding, and perfected from the time such pledge is made or other security interest attaches without any physical delivery of the collateral or further act, and the lien of any such pledge or other security interest shall be valid, binding, and perfected against all parties having claims of any kind in tort, contract, or otherwise against the corporation irrespective of whether such parties have notice of such claims. No instrument by which such a pledge or security interest is created or any financing statement need be recorded or filed.

(g) The corporation shall not be deemed to be a special district for purposes of chapter 189 or a unit of local government for purposes of part III of chapter 218. The provisions of chapter 120, part I of chapter 287, and ss. 215.57-215.83 shall not apply to this section, the corporation created in this section, the purchase agreements entered into pursuant to this section, or bonds issued by the corporation as provided in this section, except that underwriters, financial advisors, and legal counsel shall be selected in a manner consistent with the rules adopted pursuant to the State Bond Act for the selection of service providers and underwriters.

(h) In no event shall any of the benefits or earnings of the corporation inure to the benefit of any private person.

(i) Unless such officer, employee, or agent acted outside the course and scope of his or her employment or acted in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property, there shall be no liability on the part of, and no cause of action shall arise against, any board member of the corporation or any employee of the corporation or the state for any actions taken by such board member or employee in the performance of his or her duties under this section.

(j) The corporation is exempt from taxation and assessments of any nature whatsoever upon the income of the corporation and any property, assets, or revenues acquired, received, or used in the furtherance of the purposes provided in this section.

(k) The corporation and its corporate existence shall continue until terminated by law; however, no such law shall take effect until at least one year and one day after which no bonds of the corporation remain outstanding unless adequate provision has been made for the payment of such bonds pursuant to the documents authorizing the issuance of such bonds. Upon termination of the existence of the corporation, all rights and properties of the corporation in excess of obligations of the corporation shall pass to and be vested in the Lawton Chiles Endowment Fund.

(l) The Auditor General may conduct financial audits of the accounts and records of the corporation.

(m) If any provision of this section or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this section which can be given effect without the invalid provision or application, and under such circumstances the provisions of this section are declared severable.

(3) POWERS OF THE DEPARTMENT.—

(a) The department is authorized, on behalf of the state, to do all things necessary or desirable to assist the corporation in the execution of the corporation's responsibilities, including, but not limited to, processing budget amendments against the Department of Banking and Finance Tobacco Settlement Clearing Trust Fund, subject to the requirements of s. 216.177, for the costs and expenses of administration of the corporation in an amount not to exceed \$500,000; entering into one or more purchase agreements to sell to the corporation any or all of the state's right, title, and interest in and to the tobacco settlement agreement; executing any administrative agreements with the corporation to fund the administration, operation, and expenses of the corporation from moneys appropriated for such purpose; and executing and delivering any and all other documents and agreements necessary or desirable in connection with the sale of any or all of the state's right, title, and interest in and to the tobacco settlement agreement to the corporation or the issuance of the bonds by the corporation. The department's authority to sell any or all of the state's right, title, and interest in and to the tobacco settlement agreement is subject to approval by the Legislature in a regular, extended, or special session.

(b) The state hereby covenants with the holders of bonds of the corporation that the state will not limit or alter the authority or the rights under this section vested in the department to fulfill the terms of any agreement, including the terms of any purchase agreement, or in any way impair the rights and remedies of such bondholders until at least one year and one day after which no such bonds remain outstanding unless adequate provision has been made for the payment of such bonds pursuant to the documents authorizing such bonds.

(c) The department is authorized, on behalf of the state, to make any covenant, representation, or warranty necessary or desirable in connection with the sale of any or all of the state's right, title, and interest in and to the tobacco settlement agreement to the corporation or the issuance of the bonds by the corporation. Such covenants may specifically include a covenant to take whatever actions are necessary on behalf of the corporation or holders of the bonds issued by the corporation to enforce the provisions of the tobacco settlement agreement, and any rights and remedies thereunder.

Section 2. Section 17.41, Florida Statutes, is amended to read:

17.41 Department of Banking and Finance Tobacco Settlement Clearing Trust Fund.—

(1) The Department of Banking and Finance Tobacco Settlement Clearing Trust Fund is created within that department.

(2) Funds to be credited to the Tobacco Settlement Clearing Trust Fund shall consist of ~~all annual~~ payments received by the state from settlement of State of Florida v. American Tobacco Co., No. 95-1466AH (Fla. 15th Cir. Ct. 1996). ~~All Moneys received from the settlement and shall be deposited into the trust fund and are exempt from the service charges imposed under s. 215.20.~~

(3)(a) Subject to approval of the Legislature, all or any portion of the state's right, title, and interest in and to the tobacco settlement agreement may be sold to the Tobacco Settlement Financing Corporation, created pursuant to s. 215.56005. Any such sale shall be a true sale and not a borrowing.

(b) Any moneys received by the state pursuant to any residual interest retained in the tobacco settlement agreement or the payments to be made under the tobacco settlement agreement shall be deposited into the Tobacco Settlement Clearing Trust Fund.

(4) Net proceeds of the sale of the tobacco settlement agreement received by the state shall be immediately deposited into the Lawton Chiles Endowment Fund, created in s. 215.5601(4), without deposit to the Tobacco Settlement Clearing Trust Fund.

~~(3) The State Board of Administration shall invest and reinvest the moneys in the trust fund in accordance with ss. 215.44-215.53. Costs and fees of the State Board of Administration for providing such investment services shall be deducted from the earnings accruing to the trust fund.~~

(5)(4) The department shall disburse funds, by nonoperating transfer, from the Tobacco Settlement Clearing Trust Fund to the tobacco settlement trust funds of the various agencies in amounts equal to the annual appropriations made from those agencies' trust funds in the General Appropriations Act.

(6)(5) Pursuant to the provisions of s. 19(f)(3), Art. III of the State Constitution, the Tobacco Settlement Clearing Trust Fund is exempt from the termination provisions of s. 19(f)(2), Art. III of the State Constitution.

Section 3. Paragraphs (a), (b), and (f) of subsection (4), paragraphs (d) and (e) of subsection (5), and subsection (7) of section 215.5601, Florida Statutes, are amended to read:

215.5601 Lawton Chiles Endowment Fund.—

(4) LAWTON CHILES ENDOWMENT FUND; CREATION; PURPOSES AND USES.—

(a) There is created the Lawton Chiles Endowment Fund, to be administered by the State Board of Administration. The endowment shall serve as a clearing trust fund not subject to termination pursuant to s. 19(f), Art. III of the State Constitution and shall be funded by settlement moneys received from the tobacco industry and by moneys received from the sale of the state's right, title, and interest in and to the tobacco settlement agreement, including the right to receive payments under such agreement. The endowment fund shall be exempt from the service charges imposed by s. 215.20.

(b) Funds from the endowment shall be transferred ~~distributed~~ by the board to the Tobacco Settlement Clearing Trust Fund, created in s. 17.41, trust funds of the state agencies in the amounts indicated by reference to the legislative appropriations for the state agencies, except as otherwise provided in this section.

(f) When advised by the Revenue Estimating Conference that a deficit will occur with respect to the appropriations from the tobacco settlement trust funds of the state agencies ~~Tobacco Settlement Trust Fund~~ in any fiscal year, the Governor shall develop a plan of action to eliminate the deficit. Before implementing the plan of action, the Governor must comply with the provisions of s. 216.177(2). In developing the plan of action, the Governor shall, to the extent possible, preserve legislative policy and intent, and, absent any specific directions to the contrary in the General Appropriations Act, any reductions in appropriations from the tobacco settlement trust funds of the state agencies ~~Tobacco Settlement Trust Fund~~ for a fiscal year shall be prorated among the purposes for which funds were appropriated from the Tobacco Settlement Trust Fund for that year.

(5) ADMINISTRATION OF THE ENDOWMENT.—

(d) No later than August 15 and February 15 of each year, ~~2000~~, the board shall report on the financial status of the endowment to the Governor, the Speaker of the House of Representatives, the President of the Senate, the chairs of the respective appropriations and appropriate substantive com-

mittees of each chamber, and the Revenue Estimating Conference. ~~Thereafter, the board shall make a status report to such persons no later than August 15 and February 15 of each year.~~

(e) Accountability for funds from the endowment which have been appropriated to a state agency ~~and distributed by the board~~ shall reside with the state agency. The board is not responsible for the proper expenditure or accountability of funds from the endowment after transfer distribution to the Tobacco Settlement Clearing Trust Fund ~~a state agency.~~

(7) ~~ENDOWMENT PRINCIPAL; APPROPRIATION OF EARNINGS.—~~ The endowment shall receive moneys from the sale of the state's right, title, and interest in and to the tobacco settlement agreement and from following amounts are appropriated transferred from the Department of Banking and Finance Tobacco Settlement Clearing Trust Fund. Amounts to be transferred from the clearing trust fund shall be in the following amounts for the following fiscal years to the Lawton Chiles Endowment Fund for Health and Human Services:

- (a) For fiscal year 1999-2000, \$1.1 billion;
- (b) For fiscal year 2000-2001, \$200 million;
- (c) For fiscal year 2001-2002, \$200 million; and
- (d) For fiscal year 2002-2003, \$200 million.

Amounts to be transferred pursuant to paragraphs (b), (c), and (d) shall be reduced by an amount equal to the lesser of \$200 million or the amount the endowment receives in that fiscal year pursuant to the sale of the state's right, title, and interest in and to the tobacco settlement agreement.

Section 4. Section 768.733, Florida Statutes, is created to read:

768.733 Bonds in class actions; limitations.—

(1) In any civil action that is brought as a certified class action, the trial court, upon the posting of a bond or equivalent surety as provided in this section, shall stay the execution of any judgment, or portion thereof, entered on account of punitive damages pending completion of any appellate review of the judgment.

(2) The required bond or equivalent surety acceptable to the court for imposition of the stay shall be the lower of:

(a) The amount of the punitive-damages judgment, plus twice the statutory rate of interest; or

(b) Ten percent of the net worth of the defendant as determined by applying generally accepted accounting principles to the defendant's financial status as of December 31 of the year prior to the judgment for punitive damages;

provided that in no case shall the amount of the required bond or equivalent surety exceed \$100 million, regardless of the amount of punitive damages.

(3) If, at any time after notice and hearing, the court finds that a defendant who has posted a bond or equivalent surety pursuant to subsection (2) is purposefully moving assets with the intent to avoid the punitive-damages judgment, the court shall increase the bond or equivalent surety to the amount determined pursuant to paragraph (2)(a). If the defendant does not post the additional bond required by the court, the stay shall be revoked.

Section 5. (1) The Task Force on Tobacco-Settlement-Revenue Protection is created to determine the need for and evaluate methods for protecting the state's tobacco settlement revenue from significant loss. The task force shall, at a minimum, study and make a determination of:

(a) The degree of risk posed to the amount of tobacco-settlement revenue as a consequence of a decline in domestic tobacco sales and increased sale of foreign or nonsettling manufacturers' products.

(b) The degree of risk posed to the tobacco-settlement revenue by potential dissolution or restructure of the tobacco companies that were defendants in the state's suit.

(c) The necessity and advisability of taking action to protect the asset value of the tobacco settlement.

(d) The options available for protecting the noneconomic and economic benefits and asset value of tobacco-settlement revenues, including, but not limited to, securitization, insurance, self-insurance, model statute, licensing of manufacturers, or a combination of these or other options.

(e) The impact on tobacco use of changes in the noneconomic benefits of the tobacco-settlement agreements, adoption of the model statute, or agreement.

(2) The task force shall submit an initial report to the President of the Senate and the Speaker of the House of Representatives by November 1, 2000. The report shall include findings and results of the task force's studies and determinations and any specific recommendations, including recommendations for legislative revisions to address the issues and meet the needs identified under paragraphs (1)(a)-(e). The task force shall then submit a final report to the President of the Senate and the Speaker of the House of Representatives which shall address the final recommendations of the task force and include specific language for recommended legislative changes. The task force shall continue to serve for the purpose of providing assistance to the Legislature as needed to review legislative efforts to implement any of the task force's recommendations.

(3) The task force is to be composed of:

(a) The Governor, who shall serve as chair of the task force;

(b) The Comptroller;

(c) The Insurance Commissioner;

(d) Three members of the Senate, who shall be appointed by the President of the Senate; and

(e) Three members of the House of Representatives, who shall be appointed by the Speaker of the House of Representatives.

(4) The task force may conduct research, hold public hearings, receive testimony, employ consultants, and undertake other activities determined by its members to be necessary.

(5) Each task force member may designate a designee as an ex-officio nonvoting member.

(6) All official actions by the task force shall be by a majority vote of the membership designated in subsection (3).

(7) Staff support for the task force shall be provided by the State Board of Administration.

(8) The term of the task force shall expire on July 1, 2001.

Section 6. For the 2000-2001 fiscal year, the nonrecurring sum of \$100,000 from the General Revenue Fund is appropriated to the State Board of Administration to support operation of the Task Force on Tobacco-Settlement-Revenue Protection.

Section 7. (1) In order to assist Florida tobacco farmers in reducing encumbered debt on stranded investment in equipment, the nonrecurring sum of \$2.5 million is appropriated from the Department of Banking and Finance Tobacco Settlement Clearing Trust Fund to the Department of Agriculture and Consumer Services for the purchase at fair market value of equipment associated with agricultural production of tobacco from persons or entities that were using such equipment for production of tobacco between April 1 and October 1, 2000, on land within this state and sign a letter of intent to cease tobacco production upon the development and implementation of an alternative crop that would provide the same net revenue and proportional costs as tobacco. The department may adopt rules that, at a minimum, define and describe the equipment to be purchased under this section, prescribe criteria for identifying persons and entities who are eligible to have such equipment purchased by the department, and prescribe procedures to be followed for equipment purchases. From the funds appropriated by this section, the department is authorized to expend such sums as are reasonable and necessary to administer the program.

(2) Equipment purchased by the Department of Agriculture and Consumer Services under this section may be resold by the Department of Management Services. However, no such equipment may be sold, leased, or conveyed to or for use by a person or entity who produces tobacco in this state or holds a quota for production of tobacco in this state. The Department of Management Services shall deposit proceeds of such sale, less reasonable administrative costs, in the General Inspections Trust Fund of the Department of Agriculture and Consumer Services.

(3) The Department of Agriculture and Consumer Services may use proceeds from the resale of equipment purchased under this section to continue purchasing equipment and to assist tobacco producers to seek out, experiment with, and develop diverse profitable enterprises and retain ownership of their land so that their farms can remain productive agricultural entities and provide ancillary environmental benefits.

Section 8. The nonrecurring sum of \$2.5 million is appropriated from the Department of Banking and Finance Tobacco Settlement Clearing Trust Fund to the Institute of Food and Agricultural Sciences of the University of Florida to provide on-farm direct assistance to growers in the tobacco-producing counties affected by the state's tobacco litigation.

Section 9. This act shall take effect upon becoming a law.

Approved by the Governor May 9, 2000.

Filed in Office Secretary of State May 9, 2000.