



General Assembly

February Session, 2022

Raised Bill No. 399

LCO No. 2219



Referred to Committee on APPROPRIATIONS

Introduced by:
(APP)

***AN ACT CONCERNING THE TOBACCO SETTLEMENT TRUST FUND
AND THE SALE OF TOBACCO PRODUCTS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 4-28e of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July 1,*
3 *2022*):

4 (c) For the fiscal year ending June 30, [2018] 2023, and each fiscal year
5 thereafter, disbursements from the Tobacco Settlement Fund shall be
6 made [to] as follows: (1) To the General Fund (A) in the amount
7 identified as "Transfer from Tobacco Settlement Fund" in the General
8 Fund revenue schedule adopted by the General Assembly, and (B) in an
9 amount equal to four million dollars, and (2) any remainder to the
10 Tobacco and Health Trust Fund.

11 Sec. 2. Section 4-28f of the general statutes is repealed and the
12 following is substituted in lieu thereof (*Effective July 1, 2022*):

13 (a) There is created a Tobacco and Health Trust Fund which shall be
14 a separate nonlapsing fund. The purpose of the trust fund shall be to

15 create a continuing significant source of funds to (1) support and
16 encourage development of programs to reduce tobacco abuse through
17 prevention, education and cessation programs, (2) support and
18 encourage development of programs to reduce substance abuse, and (3)
19 develop and implement programs to meet the unmet physical and
20 mental health needs in the state.

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

25 (c) The trust fund shall be administered by a board of trustees, except
26 that the board shall suspend its operations from July 1, 2003, to June 30,
27 2005, inclusive. The board shall, consist of seventeen trustees. The
28 appointment of the initial trustees shall be as follows: (1) The Governor
29 shall appoint four trustees, one of whom shall serve for a term of one
30 year from July 1, 2000, two of whom shall serve for a term of two years
31 from July 1, 2000, and one of whom shall serve for a term of three years
32 from July 1, 2000; (2) the speaker of the House of Representatives and
33 the president pro tempore of the Senate each shall appoint two trustees,
34 one of whom shall serve for a term of two years from July 1, 2000, and
35 one of whom shall serve for a term of three years from July 1, 2000; (3)
36 the majority leader of the House of Representatives and the majority
37 leader of the Senate each shall appoint two trustees, one of whom shall
38 serve for a term of one year from July 1, 2000, and one of whom shall
39 serve for a term of three years from July 1, 2000; (4) the minority leader
40 of the House of Representatives and the minority leader of the Senate
41 each shall appoint two trustees, one of whom shall serve for a term of
42 one year from July 1, 2000, and one of whom shall serve for a term of
43 two years from July 1, 2000; and (5) the Secretary of the Office of Policy
44 and Management, or the secretary's designee, shall serve as an ex-officio
45 voting member. Following the expiration of such initial terms,
46 subsequent trustees shall serve for a term of three years. The period of
47 suspension of the board's operations from July 1, 2003, to June 30, 2005,
48 inclusive, shall not be included in the term of any trustee serving on July

49 1, 2003.

50 The trustees shall serve without compensation except for
51 reimbursement for necessary expenses incurred in performing their
52 duties. The board of trustees shall establish rules of procedure for the
53 conduct of its business which shall include, but not be limited to,
54 criteria, processes and procedures to be used in selecting programs to
55 receive money from the trust fund. The trust fund shall be within the
56 Office of Policy and Management for administrative purposes only. The
57 board of trustees shall, not later than January first of each year [, except
58 following a fiscal year in which the trust fund does not receive a deposit
59 from the Tobacco Settlement Fund, shall] submit a report of its activities
60 and accomplishments to the joint standing committees of the General
61 Assembly having cognizance of matters relating to public health and
62 appropriations and the budgets of state agencies, in accordance with
63 section 11-4a.

64 (d) (1) [During the period commencing July 1, 2000, and ending June
65 30, 2003, the board of trustees, by majority vote, may recommend
66 authorization of disbursement from the trust fund for the purposes
67 described in subsection (a) of this section and section 19a-6d, provided
68 the board may not recommend authorization of disbursement of more
69 than fifty per cent of net earnings from the principal of the trust fund for
70 such purposes. For the fiscal year commencing July 1, 2005, and each
71 fiscal year thereafter, the board may recommend authorization of the
72 net earnings from the principal of the trust fund for such purposes. For
73 the fiscal year ending June 30, 2009, and each fiscal year thereafter, the
74 board may recommend authorization of disbursement for such
75 purposes of (A) up to one-half of the annual disbursement from the
76 Tobacco Settlement Fund to the Tobacco and Health Trust Fund from
77 the previous fiscal year, pursuant to section 4-28e, up to a maximum of
78 six million dollars per fiscal year, and (B) the net earnings from the
79 principal of the trust fund from the previous fiscal year.] For the fiscal
80 year ending June 30, [2014] 2023, and each fiscal year thereafter, the
81 board of trustees, by majority vote, may recommend authorization of
82 disbursement [of up to the total unobligated balance remaining in the

83 trust fund after disbursement in accordance with the provisions of the
84 general statutes and relevant special and public acts for such purposes,
85 not to exceed] from the trust fund for the purposes described in
86 subsection (a) of this section and section 19a-6d, provided the board
87 may not recommend authorization of disbursement of more than twelve
88 million dollars per fiscal year from the trust fund for such purposes. The
89 board's recommendations shall give (i) priority to programs that
90 address tobacco and substance abuse and serve minors, pregnant
91 women and parents of young children, and (ii) consideration to the
92 availability of private matching funds. Recommended disbursements
93 from the trust fund shall be in addition to any resources that would
94 otherwise be appropriated by the state for such purposes and programs.

95 (2) Except during the fiscal years ending June 30, 2004, and June 30,
96 2005, the board of trustees shall submit such recommendations for the
97 authorization of disbursement from the trust fund to the joint standing
98 committees of the General Assembly having cognizance of matters
99 relating to public health and appropriations and the budgets of state
100 agencies. Not later than thirty days after receipt of such
101 recommendations, said committees shall advise the board of their
102 approval, modifications, if any, or rejection of the board's
103 recommendations. If said joint standing committees do not concur, the
104 speaker of the House of Representatives, the president pro tempore of
105 the Senate, the majority leader of the House of Representatives, the
106 majority leader of the Senate, the minority leader of the House of
107 Representatives and the minority leader of the Senate each shall appoint
108 one member from each of said joint standing committees to serve as a
109 committee on conference. The committee on conference shall submit its
110 report to both committees, which shall vote to accept or reject the report.
111 The report of the committee on conference may not be amended. If a
112 joint standing committee rejects the report of the committee on
113 conference, the board's recommendations shall be deemed approved. If
114 the joint standing committees accept the report of the committee on
115 conference, the joint standing committee having cognizance of matters
116 relating to appropriations and the budgets of state agencies shall advise

117 the board of said joint standing committees' approval or modifications,
118 if any, of the board's recommended disbursement. If said joint standing
119 committees do not act within thirty days after receipt of the board's
120 recommendations for the authorization of disbursement, such
121 recommendations shall be deemed approved. Disbursement from the
122 trust fund shall be in accordance with the board's recommendations as
123 approved or modified by said joint standing committees.

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

136 (4) The board of trustees shall, not later than February first of each
137 year [, except following a fiscal year in which the trust fund does not
138 receive a deposit from the Tobacco Settlement Fund,] submit a report to
139 the General Assembly, in accordance with the provisions of section 11-
140 4a, that includes all disbursements and other expenditures from the
141 trust fund and an evaluation of the performance and impact of each
142 program receiving funds from the trust fund. Such report shall also
143 include the criteria and application process used to select programs to
144 receive such funds.

145 Sec. 3. Section 53-344 of the general statutes is repealed and the
146 following is substituted in lieu thereof (*Effective July 1, 2022*):

147 (a) As used in this section:

148 (1) "Cardholder" means any person who presents a driver's license or

149 an identity card to a seller or seller's agent or employee, to purchase or
150 receive tobacco from such seller or seller's agent or employee;

151 (2) "Cigarette" has the same meaning as provided in subsection (b) of
152 section 12-285;

153 (3) "Identity card" means an identification card issued in accordance
154 with the provisions of section 1-1h;

155 (4) "Sale" has the same meaning as provided in section 53-344b;

156 (5) "Give" or "giving" has the same meaning as provided in section
157 53-344b;

158 (6) "Deliver" or "delivering" has the same meaning as provided in
159 section 53-344b;

160 (7) "Seller" means any person engaged in the sale, giving or delivering
161 of cigarettes or tobacco products;

162 (8) "Tobacco products" has the same meaning as provided in section
163 12-330a;

164 (9) "Transaction scan" means the process by which a seller or seller's
165 agent or employee checks, by means of a transaction scan device, the
166 validity of a driver's license or an identity card; and

167 (10) "Transaction scan device" means any commercial device or
168 combination of devices used at a point of sale that is capable of
169 deciphering in an electronically readable format the information
170 encoded on the magnetic strip or bar code of a driver's license or an
171 identity card.

172 (b) Any person who sells, gives or delivers to any person under
173 twenty-one years of age cigarettes or a tobacco product shall be fined
174 not more than three hundred dollars for the first offense, not more than
175 seven hundred fifty dollars for a second offense on or before twenty-
176 four months after the date of the first offense and not more than one

177 thousand dollars for each subsequent offense on or before twenty-four
178 months after the date of the first offense. The provisions of this
179 subsection shall not apply to a person under twenty-one years of age
180 who is delivering or accepting delivery of cigarettes or a tobacco
181 product (1) in such person's capacity as an employee, or (2) as part of a
182 scientific study being conducted by an organization for the purpose of
183 medical research to further efforts in cigarette and tobacco product use
184 prevention and cessation, provided such medical research has been
185 approved by the organization's institutional review board, as defined in
186 section 21a-408.

187 (c) Any person under twenty-one years of age who misrepresents
188 such person's age to purchase cigarettes or a tobacco product shall be
189 fined not more than fifty dollars for the first offense and not less than
190 fifty dollars or more than one hundred dollars for each subsequent
191 offense.

192 (d) (1) A seller or seller's agent or employee shall request that each
193 person intending to purchase cigarettes or a tobacco product present a
194 driver's license or identity card to establish that such person is twenty-
195 one years of age or older.

196 (2) A seller or seller's agent or employee may perform a transaction
197 scan to check the validity of a driver's license or identity card presented
198 by a cardholder as a condition for selling, giving away or otherwise
199 distributing cigarettes or a tobacco product to the cardholder.

200 [(2)] (3) If the information deciphered by the transaction scan
201 performed under subdivision (1) of this subsection fails to match the
202 information printed on the driver's license or identity card presented by
203 the cardholder, or if the transaction scan indicates that the information
204 so printed is false or fraudulent, neither the seller nor any seller's agent
205 or employee shall sell, give away or otherwise distribute any cigarettes
206 or a tobacco product to the cardholder.

207 [(3)] (4) Subdivision (1) of this subsection does not preclude a seller
208 or seller's agent or employee from using a transaction scan device to

209 check the validity of a document other than a driver's license or an
210 identity card, if the document includes a bar code or magnetic strip that
211 may be scanned by the device, as a condition for selling, giving away or
212 otherwise distributing cigarettes or a tobacco product to the person
213 presenting the document.

214 (e) (1) No seller or seller's agent or employee shall electronically or
215 mechanically record or maintain any information derived from a
216 transaction scan, except the following: (A) The name and date of birth
217 of the person listed on the driver's license or identity card presented by
218 a cardholder; (B) the expiration date and identification number of the
219 driver's license or identity card presented by a cardholder.

220 (2) No seller or seller's agent or employee shall use a transaction scan
221 device for a purpose other than the purposes specified in subsection (e)
222 of section 53-344b, subsection [(d)] (e) of this section or subsection (c) of
223 section 30-86.

224 (3) No seller or seller's agent or employee shall sell or otherwise
225 disseminate the information derived from a transaction scan to any third
226 party, including, but not limited to, selling or otherwise disseminating
227 that information for any marketing, advertising or promotional
228 activities, but a seller or seller's agent or employee may release that
229 information pursuant to a court order.

230 (4) Nothing in subsection [(d)] (e) of this section or this subsection
231 relieves a seller or seller's agent or employee of any responsibility to
232 comply with any other applicable state or federal laws or rules
233 governing the sale, giving away or other distribution of cigarettes or
234 tobacco products.

235 (5) Any person who violates this subsection shall be subject to a civil
236 penalty of not more than one thousand dollars.

237 (f) (1) In any prosecution of a seller or seller's agent or employee for
238 a violation of subsection (b) of this section, it shall be an affirmative
239 defense that all of the following occurred: (A) A cardholder attempting

240 to purchase or receive cigarettes or a tobacco product presented a
241 driver's license or an identity card; (B) a transaction scan of the driver's
242 license or identity card that the cardholder presented indicated that the
243 license or card was valid and indicated that the cardholder was at least
244 twenty-one years of age; and (C) the cigarettes or a tobacco product was
245 sold, given away or otherwise distributed to the cardholder in
246 reasonable reliance upon the identification presented and the completed
247 transaction scan.

248 (2) In determining whether a seller or seller's agent or employee has
249 proven the affirmative defense provided by subdivision (1) of this
250 section, the trier of fact in such prosecution shall consider that
251 reasonable reliance upon the identification presented and the completed
252 transaction scan may require a seller or seller's agent or employee to
253 exercise reasonable diligence and that the use of a transaction scan
254 device does not excuse a seller or seller's agent or employee from
255 exercising such reasonable diligence to determine the following: (A)
256 Whether a person to whom the seller or seller's agent or employee sells,
257 gives away or otherwise distributes cigarettes or a tobacco product is
258 twenty-one years of age or older; and (B) whether the description and
259 picture appearing on the driver's license or identity card presented by a
260 cardholder is that of the cardholder.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2022</i>	4-28e(c)
Sec. 2	<i>July 1, 2022</i>	4-28f
Sec. 3	<i>July 1, 2022</i>	53-344

Statement of Purpose:

To restore disbursements to the Tobacco and Health Trust Fund to be used to reduce tobacco and substance abuse and require persons of all ages to present proof of age to purchase cigarettes.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]