

Section 1. Section **59-14-807** is amended to read:

59-14-807. Electronic Cigarette Substance and Nicotine Product Proceeds

Restricted Account.

(1) There is created within the General Fund a restricted account known as the "Electronic Cigarette Substance and Nicotine Product ~~H→~~ [Tax] Proceeds ~~←H~~ Restricted Account."

(2) The Electronic Cigarette Substance and Nicotine Product ~~H→~~ [Tax] Proceeds ~~←H~~ Restricted Account consists of:

(a) revenues collected from the tax imposed by Section 59-14-804; [and]

(b) all money received by the attorney general or the Department of Commerce as a result of any judgment, settlement, or compromise of claims pertaining to alleged violations of law related to the manufacture, marketing, distribution, or sale of electronic cigarette products, as defined in Section 76-10-101 ~~H→~~ [i] :

(i) ~~←H~~ if the total amount of the judgment, settlement, or compromise received by the state exceeds \$1,000,000; and

~~H→~~ (ii) after reimbursement to the attorney general and the Department of Commerce for expenses related to the matters described in this Subsection (2)(b); and ~~←H~~

~~[(b)]~~ (c) amounts appropriated by the Legislature.

(3) For each fiscal year, beginning with fiscal year 2021, and subject to appropriation by the Legislature, the Division of Finance shall distribute from the Electronic Cigarette Substance and Nicotine Product ~~H→~~ [Tax] Proceeds ~~←H~~ Restricted Account:

(a) \$2,000,000 which shall be allocated to the local health departments by the Department of Health and Human Services using the formula created in accordance with Section 26A-1-116;

(b) \$2,000,000 to the Department of Health and Human Services for statewide cessation programs and prevention education;

(c) \$1,180,000 to the Department of Public Safety for law enforcement officers aimed at disrupting organizations and networks that provide tobacco products, electronic cigarette products, nicotine products, and other illegal controlled substances to minors;

(d) \$3,000,000 which shall be allocated to the local health departments by the Department of Health and Human Services using the formula created in accordance with Section 26A-1-116;

(e) \$5,084,200 to the State Board of Education for school-based prevention programs; and

(f) \$2,000,000 to the Department of Health and Human Services for alcohol, tobacco,

and other drug prevention, reduction, cessation, and control programs that promote unified messages and make use of media outlets, including radio, newspaper, billboards, and television.

(4) (a) The local health departments shall use the money received in accordance with Subsection (3)(a) for enforcing:

(i) the regulation provisions described in Section 26-57-103;

(ii) the labeling requirement described in Section 26-57-104; and

(iii) the penalty provisions described in Section 26-62-305.

(b) The Department of Health and Human Services shall use the money received in accordance with Subsection (3)(b) for the Youth Electronic Cigarette, Marijuana, and Other Drug Prevention Program created in Section 26-7-10.

(c) The local health departments shall use the money received in accordance with Subsection (3)(d) to issue grants under the Electronic Cigarette, Marijuana, and Other Drug Prevention Grant Program created in Section 26A-1-129.

(d) The State Board of Education shall use the money received in accordance with Subsection (3)(e) to distribute to local education agencies to pay for:

(i) stipends for positive behaviors specialists as described in Subsection 53G-10-407(4)(a)(i);

(ii) the cost of administering the positive behaviors plan as described in Subsection 53G-10-407(4)(a)(ii); and

(iii) the cost of implementing an Underage Drinking and Substance Abuse Prevention Program in grade 4 or 5, as described in Subsection 53G-10-406(3)(b).

(5) (a) The fund shall earn interest.

(b) All interest earned on fund money shall be deposited into the fund.

(6) Subject to legislative appropriations, funds remaining in the Electronic Cigarette Substance and Nicotine Product ~~HT~~ **[Tax] Proceeds** ~~HT~~ Restricted Account after the distribution described in

Subsection (3) may only be used for programs and activities related to the prevention and cessation of electronic cigarette, nicotine products, marijuana, and other drug use.