

1 AN ACT relating to the vaping settlement trust fund.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 15 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) There is hereby established in the State Treasury a trust and agency account to be
6 known as the vaping settlement trust fund. The fund shall be administered by the
7 Office of the Attorney General.

8 (2) The fund shall consist of all proceeds received by the Commonwealth on or after
9 July 15, 2025, excluding fees awarded to the Office of the Attorney General as
10 litigation or investigative costs, as a result of any settlement, judgment, or
11 bankruptcy proceeding against Juul Labs, Inc., including but not limited to
12 Commonwealth of Kentucky, ex. rel. Daniel Cameron, Attorney General v. Juul
13 Labs, Inc., 22-CI-00942.

14 (3) Amounts deposited into the fund shall be allocated as follows and distributed no
15 less than annually:

16 (a) Fifty percent (50%) shall be used only by the Kentucky Agency for
17 Substance Abuse Policy for distribution to programs implemented under
18 KRS 15A.344 specifically for the purpose of youth vaping cessation
19 programming; and

20 (b) Fifty percent (50%) shall be used only by the Department of Alcoholic
21 Beverage Control to carry out the enforcement provisions of KRS 438.305
22 to 438.340.

23 (4) Notwithstanding KRS 45.229, fund amounts not expended at the close of a fiscal
24 year shall not lapse but shall be carried forward into the next fiscal year.