

TEXAS ADMINISTRATIVE CODE: As in effect on 1/19/2026.

TITLE 25. HEALTH SERVICES

PART 1. DEPARTMENT OF STATE HEALTH SERVICES

CHAPTER 102. DISTRIBUTION OF TOBACCO SETTLEMENT PROCEEDS TO POLITICAL SUBDIVISIONS

§102.2. Distributions.

(a) A political subdivision may receive a pro rata share of the annual distribution by the Comptroller of Public Accounts (comptroller) under the agreement. The department will certify to the comptroller the percentage of the annual distribution that each political subdivision is eligible to receive. The comptroller is responsible for transmitting the payments to the eligible political subdivisions.

(b) The income earned through investment of the permanent trust account established under the agreement will be distributed in April of each year. Only the earnings of the account will be distributed. The corpus of the fund will remain in the permanent trust account.

(c) A political subdivision that receives a pro rata share of the annual distribution has sole authority over the expenditure of those funds. The agreement does not require a political subdivision to expend any portion of the distribution for a specified purpose; however, any portion of the distribution expended for unreimbursed health care expenditures in a calendar year may be counted toward the political subdivision's pro rata share of the annual distribution in the subsequent year.