

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1715-01
Bill No.: SB 399
Subject: Missouri Healthy Families Trust Fund
Type: Original
Date: February 6, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$319,000,000)	(\$162,000,000)	(\$164,000,000)
Missouri Tobacco Missouri Healthy Families Trust	\$319,000,000	\$162,000,000	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	(\$164,000,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of Administration's Division of Accounting**, in responses to similar proposals, stated that they would establish an Internet website existing resources.

Officials of the **Department of Health, the Department of Mental Health, the Department of Revenue, the State Treasurer and the Department of Social Services**, in responses to similar proposals, stated the while the proposal could affect their agencies those effects could not be judged until specific program were devised and appropriations made.

Oversight assumes that tobacco settlement funds would be deposited into the General Revenue Fund in the absence of this proposal. Oversight also notes that Missouri's tobacco settlement funds have been, thus far, deposited in an escrow fund and assumes that payments for 1998 through 2000 would be deposited at one time and payments for 2001 would also be made during FY 2002; therefore the figure for FY 2002 represents three years worth of estimated payments. (There were no payments in calendar 1999.)

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
MISSOURI TOBACCO HEALTHY FAMILIES TRUST FUND			
<u>Income</u> - Tobacco Settlement Revenue	\$319,000,000	\$162,000,000	\$164,000,000
<u>Cost</u> - Health Care for Senior Citizens	\$0	\$0	(\$41,000,000)
<u>Cost</u> - Health Care for Tobacco-Related Diseases	\$0	\$0	(\$41,000,000)
<u>Cost</u> - Children	\$0	\$0	(\$41,000,000)
<u>Cost</u> - Health Research and Development	\$0	\$0	(\$41,000,000)
ESTIMATED NET EFFECT ON MISSOURI TOBACCO HEALTHY FAMILIES TRUST FUND	<u>\$319,000,000</u>	<u>\$162,000,000</u>	<u>\$0</u>

GENERAL REVENUE FUND

<u>Loss</u> - Tobacco Settlement Revenue	(\$319,000,000)	(\$162,000,000)	(\$164,000,000)
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<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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FISCAL IMPACT - Local Government

FY 2002 (10 Mo.)	FY 2003	FY 2004
\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would require the State Treasurer to deposit all moneys received from tobacco companies in settlement of a dispute between Missouri and tobacco companies in the Missouri healthy families trust fund. Monies in the Fund would not revert to general revenue at the end of the biennium.

After July 1, 2003, the General Assembly would appropriate moneys in the fund only for the following purposes: 25% for health care for senior citizens; 25% for health care of citizens for tobacco-related illnesses; 25% for children; and, 25% for health research and development.

The Commissioner of Administration would maintain data on receipts to the Fund. The Commissioner would update the data at least quarterly and would make the data available on the Internet.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not directly affect Total State Revenues.

SOURCES OF INFORMATION

Department of Health
Department of Mental Health
Department of Revenue
Department of Social Services
Office of Administration
State Treasurer



Jeanne Jarrett, CPA
Director
February 6, 2001

Year	OA - B&P	Governors Association	3% CPI Increase
1998	\$54,590,426	\$54,590,426	\$54,590,426
1999	\$0	\$0	\$0
2000	\$129,451,392	\$145,841,736	\$150,216,988
2001	\$135,420,621	\$157,485,647	\$167,076,523
2002	\$162,447,798	\$189,094,295	\$206,623,336
2003	\$164,044,888	\$190,883,868	\$214,820,705
2004	\$143,399,390	\$159,313,061	\$184,659,769
2005	\$144,834,156	\$159,313,061	\$190,203,864
2006	\$146,278,082	\$159,313,061	\$195,907,271
2007	\$147,740,792	\$159,313,061	\$201,785,923
2008	\$164,693,218	\$175,833,051	\$181,916,875
2009	\$166,353,707	\$175,833,051	\$236,266,871
2010	\$168,003,541	\$175,833,051	\$243,352,943
2011	\$169,675,393	\$175,833,051	\$250,667,598
2012	\$171,378,869	\$175,833,051	\$261,340,664
2013	\$173,100,158	\$175,833,051	\$265,929,906
2014	\$174,833,563	\$175,833,051	\$273,895,144
2015	\$176,602,091	\$175,833,051	\$282,124,130
2016	\$178,364,609	\$175,833,051	\$290,581,700
2017	\$180,168,255	\$175,833,051	\$299,303,019
2018	\$188,424,839	\$182,059,072	\$319,204,171
2019	\$190,339,585	\$182,059,072	\$328,780,478
2020	\$192,257,965	\$182,059,072	\$338,629,874
2021	\$194,207,025	\$182,059,072	\$348,788,770
2022	\$196,152,138	\$182,059,072	\$359,257,167
2023	\$198,156,125	\$182,059,072	\$370,035,064
2024	\$200,180,829	\$182,059,072	\$381,140,667
2025	\$202,222,663	\$182,059,072	\$392,573,977
Tota			
I	\$4,513,322,118	\$4,589,951,302	\$6,989,673,821