

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2775-03
BILL NO.: SB 549
SUBJECT: Tobacco Settlement Trust Fund
TYPE: Original
DATE: January 14, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Missouri Settlement	\$143,200,000	\$172,000,000	\$173,500,000
General Revenue	(\$143,200,000)	(\$172,000,000)	(\$173,500,000)
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **State Treasurer**, in their response to an identical proposal, stated that the proposal would establish a new accounting fund and would increase the number of transactions processed through the accounting system. It would also increase the amount of funds available for investment. The Treasurer's office would carry out its duties under this proposal with existing resources.

Officials of the **Office of Administration's Division of Accounting**, in responses to similar proposals, stated that they would establish an Internet website with a link from the Division of Accounting home page to display the information required by the proposal. This would be done with existing resources.

Officials of the **Department of Health**, the **Department of Mental Health**, the **Department of Revenue**, and the **Department of Social Services** stated the proposal would not directly affect their agencies.

Oversight assumes that settlement funds would be deposited into the General Revenue Fund in the absence of this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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MISSOURI SETTLEMENT TRUST FUND

<u>Income</u> - tobacco settlement funds	\$143,200,000	\$172,000,000	\$173,500,000
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GENERAL REVENUE FUND

<u>Loss</u> - tobacco settlement funds	(\$143,200,000)	(\$172,000,000)	(\$173,500,000)
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<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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	\$0	\$0	\$0
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FISCAL IMPACT - Small Business

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

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DESCRIPTION

This proposal would create the "Missouri Settlement Trust Fund". The State Treasurer would deposit all moneys received from by the state of Missouri from awards or settlements into the Fund. Monies in the Fund would not revert to general revenue at the end of the biennium.

The General Assembly would not decide how to spend moneys deposited into the Fund without additional constitutional authority specifying how the money would be spent and whether the money is or is not included in Total State Revenue.

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 Mental Health
Department of Health
Department of Revenue
Department of Social Services



Jeanne Jarrett, CPA
Director
January 14, 2000