

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1659-03
Bill No.: SB 454
Subject: Tobacco Settlement
Type: Original
Date: February 21, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Missouri Tobacco Settlement Attorney-Fee Trust			
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

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			

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **House of Representatives**, the **Senate**, and the **Office of Administration** indicated that they could carry out duties under this proposal with existing resources.

Oversight can not estimate the amount of moneys which might be deposited into the Missouri Tobacco Settlement Attorney-Fee Trust Fund or estimate the amount of attorney fees which might be approved by the Missouri Commission on Tobacco Attorney-Fee Compensation.

<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004
MISSOURI TOBACCO SETTLEMENT ATTORNEY-FEE TRUST FUND			
<u>Income</u> - Proceeds of awards or settlements resulting from disputes for legal fees	Unknown	Unknown	Unknown
<u>Cost</u> - approved legal fees	\$0	(Unknown)	(Unknown)
<u>Cost</u> - appropriations for health care and/or education programs	\$0	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON MISSOURI TOBACCO SETTLEMENT ATTORNEY-FEE TRUST FUND	<u>Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2002	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 allow the Attorney General to enter into the Model Fee Payment Arrangement, contained in the Master Settlement Agreement; however, State Outside Counsel would not be allowed to collect payments directly from Original Participating Manufacturers.

DESCRIPTION (continued)

The proposal would the Missouri Tobacco Settlement Attorney-Fee Trust Fund, into which the Treasurer would deposit all moneys received from an award or settlement resulting from a dispute for legal fees related to the tobacco litigation.

Moneys in the Fund would not be appropriated until Fiscal Year 2003.

The Attorney General would collect all attorneys' fees due the state or its subcontractors and deposit the proceeds with the State Treasurer and would represent State Outside Counsel in proceedings before the Missouri Commission on Tobacco Attorney-Fee Compensation.

The Commission, which would be established by this proposal, would consider and rule on requests by State Outside Counsel for payments of fees and expenses.

Requests for fees and expenses (with documentation) would be made by December 31, 2001.

The Commission would hold public hearings and would issue a schedule for payments by July 1, 2002.

Any moneys remaining in the Missouri Tobacco Settlement Attorney-Fee Trust Fund after July 1, 2002, could be appropriated for health care and education purposes.

This proposal contains a severability clause and an emergency clause.

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 affect Total State Revenue.

SOURCES OF INFORMATION

Office of Administration
Missouri House of Representatives
Missouri Senate

NOT RESPONDING: Office of the Attorney General



Jeanne Jarrett, CPA
Director
February 21, 2001