

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4428-01
Bill No.: HB 1534
Subject: Health Care; Health, Public; Science and Technology; Tobacco Products
Type: Original
Date: March 8, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Life Sciences Research Trust Fund*			
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

*Unknown income and expenses would net to \$0.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Treasurer**, the **University of Missouri** and the **Coordinating Board for Higher Education** assume this proposal would not fiscally impact their agencies.

Officials from the **Department of Health and Senior Services (DOH)** assume this proposal would not fiscally impact the operations of the DOH. DOH states if a fiscal impact were to result, funds to support the program would be sought through the appropriations process.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal could be absorbed with existing resources. AGO states since the AGO is responsible for defending such legislation in constitutionality claims, AGO assumes that the nature of this provision could create a fiscal impact. As a result, AGO assumes costs are unknown, but under \$100,000.

Oversight assumes, because the potential for litigation is speculative, the AGO may or may not incur costs related to this proposal. Oversight assumes if a fiscal impact were to result, the AGO may request funds to through the appropriations process.

ASSUMPTION (continued)

Officials from the **Office of Administration–Division of Budget and Planning (BAP)** assume this proposal would not result in additional costs or savings to BAP. BAP assume this proposal, as written, will not impact the existing distribution of tobacco funds. BAP assumes if the intent is to add this to the existing distribution of settlement funds, there would be an impact to General Revenue of approximately \$2,000,000 annually.

Oversight assumes an unknown amount will be deposited into the Life Sciences Research Trust Fund and that the amount deposited will be expended. Therefore, Oversight is showing a zero balance in the fund.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
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**LIFE SCIENCES RESEARCH
TRUST FUND**

Income - Office of Administration–Life
Sciences Research Board

Master Settlement Receipts	Unknown	Unknown	Unknown
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Costs - Office of Administration–Life
Sciences Research Board

Life sciences projects	(Unknown)	(Unknown)	(Unknown)
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**ESTIMATED NET EFFECT ON LIFE
SCIENCES RESEARCH TRUST
FUND**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal requires 25% of the funds received from subsequent participating manufacturers in the Tobacco Settlement Agreement that are deposited into the Life Sciences Research Trust Fund to be expended by the Life Sciences Research Board. The board is required to spend 25% of the moneys in the trust fund for the program that awards grants to establish and expand umbilical cord blood banks. The remaining 75% must fund life science research projects involving the study, use, or therapies involving human stem cells derived from non-embryonic and non-fetal sources.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Treasurer
Coordinating Board for Higher Education
University of Missouri
Department of Health and Senior Services
Office of Attorney General
Office of Administration—
Division of Budget and Planning



Mickey Wilson, CPA
Director
March 8, 2006