

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3097-01
Bill No.: HB 1330
Subject: Health Care; Health Department; Health, Public; Tobacco Products
Type: Original
Date: February 27, 2008

Bill Summary: This legislation requires the State of Missouri to match any grant moneys received by the state for smoking cessation up to a two million dollar cap.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	\$0 to (\$1,553,772)	\$0 to (\$2,000,000)	\$0 to (\$2,000,000)
Total Estimated Net Effect on General Revenue Fund	\$0 to (\$1,553,772)	\$0 to (\$2,000,000)	\$0 to (\$2,000,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services (DSS)** assume the proposal would have no fiscal impact on their agency, since the appropriation will be administered by the Department of Health and Senior Services (DHSS). It is conceivable that DSS could benefit from such matching funds, but it is more likely that the recipient of such grants would be the DHSS.

Officials from the **Department of Health and Senior Services (DHSS)** assume the proposal requires the State of Missouri to match the amount of money received by the state for smoking cessation, up to two million dollars per fiscal year. The additional state funding will be awarded to eligible recipients for additional tobacco cessation services.

Grant funding received by DHSS for Fiscal Year 2008 total \$1,553,772.

DHSS assumes a similar amount of funding will be available in FY 2009 for tobacco cessation. In FY 2010 and beyond, DHSS projects additional foundation and private funding will be received, resulting in non-state funding to exceed the \$2,000,000 threshold the state would be required to match, as identified in the legislation.

Since this proposal would be based upon an appropriation, **Oversight** will reflect the funding as \$0 (no appropriation) to (\$1,553,772) in FY09 and \$0 to (\$2,000,000) in FY10 & FY11

<u>FISCAL IMPACT - State Government</u>	FY 2009	FY 2010	FY 2011
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GENERAL REVENUE FUND

Costs - Department of Health and Senior Services

Program Cost - Smoking Cessation	\$0 to <u>(\$1,553,772)</u>	\$0 to <u>(\$2,000,000)</u>	\$0 to <u>(\$2,000,000)</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0 to</u> <u>(\$1,553,772)</u>	<u>\$0 to</u> <u>(\$2,000,000)</u>	<u>\$0 to</u> <u>(\$2,000,000)</u>
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FISCAL IMPACT - Local Government

FY 2009
(10 Mo.)

FY 2010

FY 2011

\$0

\$0

\$0

FISCAL IMPACT - Small Business

The Centers for Disease Control and Prevention (CDC) estimate that each employee that uses tobacco costs employers \$3,400 per year in lost productivity and health care costs. Businesses pay an average of \$2,189 in workers' compensation costs for smokers compared to an average of \$176 for non-smokers. Helping tobacco users quit smoking will mean more productive and healthier employees, and will save costs to employers.

FISCAL DESCRIPTION

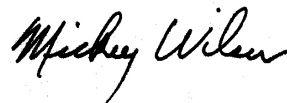
Beginning July 1, 2008 the proposed legislation requires the state to match the amount of any grant money received for smoking cessation. The Department of Health and Senior Services, subject to appropriations, will issue matching funds to eligible recipients. State matching grant money cannot exceed \$2 million in any fiscal year.

The proposed legislation contains 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.

SOURCES OF INFORMATION

Department of Social Services
Department of Health and Senior Services



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Director
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