

This bill appropriates all of the funds from the Tobacco Settlement that are in the Tobacco Restricted Account. That balance currently is approximately \$15.4 million, but could be \$27.0 million following the April 2000 payment, which includes two initial payments and one annual payment.

The bill appropriates \$5.5 million to the Children's Health Insurance Program and repeals the Hospital Provider Assessment which currently provides the same amount. It also appropriates \$10 million to the Department of Health for tobacco prevention programs and \$5 million to the State Board of Regents for expenses at the Huntsman Cancer Institute. Assuming a beginning balance of \$27.0 million, the remaining \$6.5 million would be appropriated to the permanent State School Fund.

In FY 2002, the available revenue will be less, because there will only be one initial payment and one annual payment. Projections show the FY 2002 funds available to be approximately \$20.8 million. The required appropriations would leave \$300,000 to be appropriated to the permanent State School Fund.

	<u>FY 01 Approp.</u>	<u>FY 02 Approp.</u>	<u>FY 01 Revenue</u>	<u>FY 02 Revenue</u>
Restricted Funds	(\$5,500,000)	(\$5,500,000)	(\$5,500,000)	(\$5,500,000)
Restricted Funds	\$27,000,000	\$20,800,000	\$0	\$0
TOTAL	<u><u>\$21,500,000</u></u>	<u><u>\$15,300,000</u></u>	<u><u>(\$5,500,000)</u></u>	<u><u>(\$5,500,000)</u></u>

Individual and Business Impact

This bill will relieve hospitals operating in the State of paying the assessment of \$5.5 million. The bill will also provide additional funding for tobacco prevention programs and the Huntsman Cancer Institute, which will filter into the economy in several specific areas.
