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**Fiscal Note**  
**Bill Number HB0335**

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**Redistribution of Tobacco Fund Amendments***13-Feb-03**3:00 PM*

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**State Impact**

This bill calls for depositing 100% of the funds from the Master Settlement Agreement into the Tobacco Settlement Restricted Account, instead of 40% (FY 2004). This diversion will be in effect for FY 2004 and FY 2005. Beginning in FY 2006, the split goes to 40% to the Restricted Account and 60% to the Permanent Trust Fund. For the two fiscal years of the diversion, the funding difference goes to the Medicaid budget.

	<u><b>FY 04 Approp.</b></u>	<u><b>FY 05 Approp.</b></u>	<u><b>FY 04 Revenue</b></u>	<u><b>FY 05 Revenue</b></u>
Federal Funds	\$40,656,700	\$40,446,900	\$0	\$0
Restricted Funds	\$16,126,400	\$16,043,200	\$16,126,400	\$16,043,200
Trust Funds	\$0	\$0	(\$16,126,400)	(\$16,043,200)
<b>TOTAL</b>	<u><u><b>\$56,783,100</b></u></u>	<u><u><b>\$56,490,100</b></u></u>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>

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**Individual and Business Impact**

Individuals covered by Medicaid may experience easier access to Medical services and more covered services than is currently projected.

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**Office of the Legislative Fiscal Analyst**