

FISCAL NOTE

SB 1391 - HB 1803

March 23, 1999

SUMMARY OF BILL: Creates the Tennessee Millennium Health Trust Fund Act. All proceeds received by the State of Tennessee from the settlement of any lawsuit, from an act of Congress, or from the outcome of any litigation resulting in the state recovering funds from tobacco companies, manufacturers, and trade groups for health related injuries to individuals, Medicaid or TennCare-related recoveries, or for similar recovery shall be deposited into the Tennessee Millennium Health Trust Fund. The State Treasurer shall administer the fund as a special trust fund and the State Funding Board shall serve as trustee of the fund. The deposited funds shall constitute principal and only the income from the fund may be subject to appropriation by the General Assembly. The fund shall not revert to the General Fund at the end of any fiscal year. Prior to January 15 of each year, the State Funding Board shall make recommendations to the General Assembly for expenditures of income earned by the fund.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant

Other Fiscal Impact - Restricts the use of any tobacco settlement funds, estimated to be in excess of \$200,000,000 in calendar year 2000, by establishing a trust fund for all such funds and restricting expenditures to interest earnings only

Estimate assumes the Department of Treasury will use existing staff and resources to administer the provisions of this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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