

Fiscal Estimate Narratives

DOJ 9/5/2003

LRB Number 03-1840/3	Introduction Number AB-494	Estimate Type Original
Subject Tobacco settlement model language		

Assumptions Used in Arriving at Fiscal Estimate

This legislation would enhance the ability of Department of Justice (DOJ) to enforce provisions of the Master Settlement Agreement (MSA) with respect to Non-Participating Manufacturers (NPM) of tobacco products. The bill is based upon model legislation drafted by the National Association of Attorneys General (NAAG).

The Department of Justice (DOJ) does not anticipate any increased costs to the state associated with the passage of this legislation. Failure to pass this legislation, however, poses a serious and real threat to the state's tobacco revenue stream. Additionally, without this legislation, the state risks significant legal exposure to securitization bondholders and to manufacturers who are parties to the MSA.

Long-Range Fiscal Implications