## Fiscal Estimate - 2003 Session

Original Updated	Corrected Supplemental			
LRB Number <b>03-1840/3</b>	Introduction Number AB-494			
Subject				
Tobacco settlement model language				
Fiscal Effect				
Appropriations Decrease Existing Appropriations Reverse Appropriations Create New Appropriations  Local: No Local Government Costs Indeterminate 1. Increase Costs Permissive Mandatory Perm 2. Decrease Costs 4. Decrease	Increase Costs - May be possible to absorb within agency's budget Yes No Decrease Costs  5. Types of Local Government Units Affected Towns Village Cities Government Units Others Counties Others School WTCS Districts  Increase Costs - May be possible to absorb within agency's budget Yes Towns Versell No Decrease Costs			
Fund Sources Affected  GPR FED PRO PRS SEG SEGS				
Agency/Prepared By	Authorized Signature Date			
DOJ/ Vaughn Vance (608) 264-9463	Vaughn Vance (608) 264-9463 9/5/2003			

## 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 signifiant legal exposure to securitization bondholders and to manufacturers who are parties to the MSA.

**Long-Range Fiscal Implications**