

ANALYSIS OF THE COMMUNITY HEALTH TRUST FUND FOR THE 2001-03 BIENNIUM

Beginning balance - July 1, 2001		\$5,290,078
Add estimated revenues		
Transfers to date from the tobacco settlement trust fund	729,865 ¹	
Projected remaining transfers from the tobacco settlement trust fund	<u>\$4,520,125</u>	
Total revenues		<u>\$5,249,990 ²</u>
Total available		\$10,540,068
Less expenditures		
State Department of Health		
Tobacco prevention and control (2001 SB 2004)	\$4,700,000 ³	
Dentists' loan program (2001 SB 2276)	180,000 ⁴	
Community health grants (2001 SB 2380)	350,000 ⁵	
Department of Human Services		
Breast and cervical cancer assistance (2001 HB 1472)	<u>114,755 ⁶</u>	
Total expenditures		<u>\$5,344,755</u>
Estimated ending balance - June 30, 2003		<u><u>\$5,195,313</u></u>

¹ Three 2001-03 biennium transfers have been made from the tobacco settlement trust fund as of March 15, 2002, totaling \$729,865. Total transfers of \$6,019,943 have been made from the tobacco settlement trust fund to the community health trust fund.

² Revenues - Interest earned on the community health trust fund is deposited in the state general fund. The tobacco settlement revenues for the community health trust fund were estimated to be \$6,114,358 for the 2001-03 biennium at the end of the 1999 legislative session. The decrease in the amount of revenues collected from the tobacco settlement trust fund of \$864,368 is the result of volume adjustments made to payments received. A volume adjustment is an adjustment made to a settlement payment to reflect increases or decreases in tobacco manufacturers' operating income from cigarette sales. The original estimate was calculated before the anticipated effect of volume adjustments on tobacco settlement collections was determined. The revenues for the community health trust fund originally estimated during the 1999 legislative session and the estimated collections as revised by the Office of Management and Budget to reflect anticipated volume adjustments are:

Biennium	1999 Original Estimated Collections	Office of Management and Budget Revised Estimated Collections
1999-2001	\$5,759,377	\$5,290,078
2001-03	6,114,358	5,249,990
2003-05	5,127,121	4,594,413
2005-07	5,127,121	4,594,413
2007-17 (\$8,223,108/\$7,368,727 per biennium)	41,115,540	36,843,633
2017-25 (\$5,859,149/\$5,250,383 per biennium)	23,436,596	21,001,532
Total	\$86,680,113	\$77,574,059

- ³ 1999 House Bill No. 1475 (North Dakota Century Code Section 54-27-25) provides that money in the community health trust fund may be used by the State Department of Health, subject to legislative appropriation, for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Senate Bill No. 2004 (2001) provides an appropriation of \$4.7 million to the State Department of Health for tobacco prevention and control programs. The 1999 Legislative Assembly did not appropriate to the State Department of Health any money in the community health trust fund for community-based public health programs. Consequently, no expenditures from the fund were made during the 1999-2001 biennium.
- ⁴ 2001 Senate Bill No. 2276 provides an appropriation of \$180,000 to the State Health Council for providing for a dentists' loan repayment program which provides loan assistance to certain dentists who start a practice in smaller North Dakota communities in need of a dentist.
- ⁵ The community health grant program is established in 2001 Senate Bill No. 2380 with the intent to prevent or reduce tobacco usage in the state. The bill provides an appropriation of \$100,000 for funding the Community Health Grant Program Advisory Committee and \$250,000 to provide grants to cities and counties for tobacco education and cessation programs.
- ⁶ 2001 House Bill No. 1472 provides an appropriation of \$114,755 to the Department of Human Services for providing medical assistance coverage for women screened and found to have breast and cervical cancer.

FUND HISTORY

North Dakota Century Code Section 54-27-25 created by 1999 House Bill No. 1475 established a tobacco settlement trust fund for the deposit of all tobacco settlement moneys obtained by the state. Moneys in the fund must be transferred within 30 days of their deposit in the fund as follows:

- Ten percent to the community health trust fund.
- Forty-five percent to the common schools trust fund.
- Forty-five percent to the water development trust fund.