

# The Finance Project

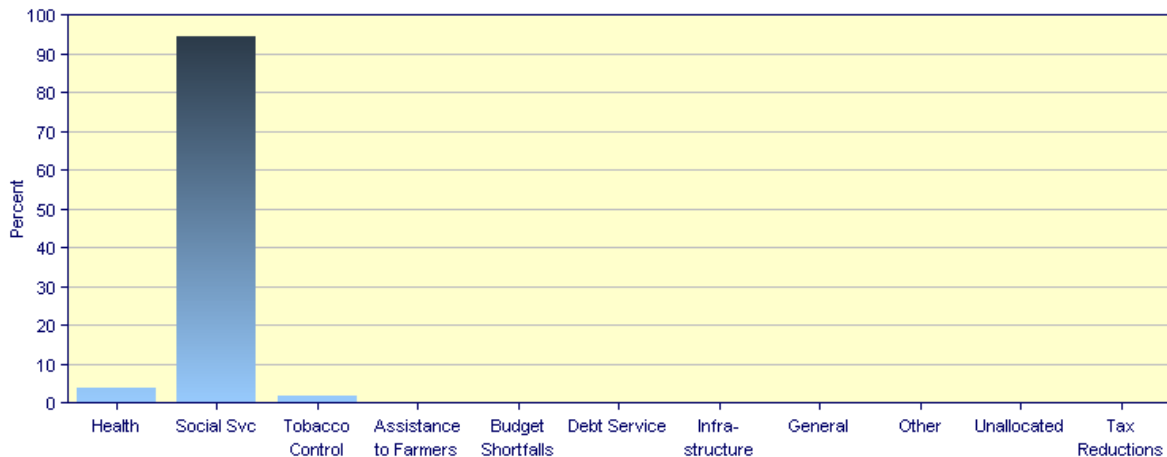
## Tobacco Master Settlement Agreement State Profile: Kansas

The Finance Project has developed state profiles to show how Master Settlement Agreement (MSA) funds have been allocated between 2000 and the present fiscal year. Profiles also highlight how states are using MSA funds to support programs and initiatives for youth.

### Revenue Received by Year (Dollar amounts in thousands)

	Revenue Received	Securitized Revenue	TOTAL Revenue	Notes
2000/2001	\$119,940	\$0	\$119,940	
2002	\$60,999	\$0	\$60,999	
2003	\$61,169	\$0	\$61,169	
2004	\$52,349	\$0	\$52,349	
2005	\$53,131	\$0	\$53,131	
2006	\$48,775	\$0	\$48,775	
2007	\$51,053	\$0	\$51,053	
2008	\$67,436	\$0	\$67,436	
2009	\$72,019	\$0	\$72,019	
2010	\$60,838	\$0	\$60,838	
2011	\$56,856	\$0	\$56,856	Payments received as of 5/19/2011
<b>Total</b>	<b>\$704,565</b>	<b>\$0</b>	<b>\$704,565</b>	

### FY11 Allocation of Funds



### Background

According to 1999 legislation, all MSA funding is distributed to the Kansas Endowment for Youth (KEY) to support youth programs. Funds are to remain in this Fund, except when transferred to the Kansas Children’s Initiative Fund as otherwise authorized by law. The 1999 law also created the Kansas Children’s Cabinet, a board of appointees from the Governor and Legislature, responsible for recommendations on how to spend MSA funds in the endowment. The Legislature appropriates KEY funding annually after reviewing the Children’s Cabinet’s recommendations.

### Implications for Youth Programs

MSA funds currently support programs and services for youth, including:

Kansas Children's Cabinet

<b>Total</b>
<b>\$126,500</b>
<b>\$60,989</b>
<b>\$72,739</b>
<b>\$53,777</b>
<b>\$53,141</b>
<b>\$49,561</b>
<b>\$46,919</b>
<b>\$52,044</b>
<b>\$77,527</b>
<b>\$82,605</b>
<b>\$59,311</b>

<b>ion</b>

- Early Head Start;
- Early Childhood Block Grant;
- Smart Start Kansas;
- Community-based abuse prevention;
- Newborn screening;
- Immunization outreach;
- Juvenile justice and sanction grants;
- Children’s mental health initiative;
- Child care and child welfare community services; and
- Smoking prevention grants.

## Highlights

- A Children’s Cabinet was created to oversee expenditures from the state’s tobacco Master Settlement Agreement (MSA) which are held in the Kansas Endowment for Youth (KEY) Fund. Ninety-five percent of the MSA funds are dedicated to improve the health and well-being of children and youth in the state. For more information, see the Promising Practice Profile on the [Kansas Children’s Cabinet](#)

## Legislative Proposals

None listed

## Allocation of Funds (Dollar amounts in thousands)

	Health	Social Services/ Education	Tobacco Control	Assistance to Tobacco Farmers/ Economic Development	Budget Shortfalls	Debt Service on Securitized Funds	Infra-structure	General Purpose/ Rainy Day Reserves	Other	Unallocated Funds	Tax Reduction
2000/2001		\$34,962	\$500					\$91,038			
2002	\$2,000	\$37,500	\$500					\$10,000		\$10,989	
2003	\$9,286	\$34,753	\$500		\$28,200						
2004	\$1,800	\$40,933						\$11,044			
2005	\$1,338	\$50,550	\$500					\$753			
2006	\$5,736	\$32,870	\$1,000					\$9,955			
2007	\$5,973	\$30,128	\$1,000					\$9,817			
2008	\$5,739	\$36,305	\$1,000					\$9,000			
2009	\$7,550	\$59,977	\$1,000					\$9,000			
2010	\$2,345	\$55,968	\$1,000		\$14,292			\$9,000			
2011	\$2,343	\$55,968	\$1,000								

\*GAO did not collect data on budget shortfalls in FY2000-2001.

\*Total allocations for FY03-04 include carry-over funds and interest earned.

\*Total allocations for FY05 include interest earned.

\*Total allocations for FY09-11 include carry-over funds and interest earned.

## Allocation of Funds (Percentages)

	Health	Social Services/ Education	Tobacco Control	Assistance to Tobacco Farmers/ Economic Development	Budget Shortfalls	Debt Service on Securitized Funds	Infra-structure	General Purpose/ Rainy Day Reserves	Other	Unallocated Funds	Tax Reduct
2000/2001		28%	0%					72%			
2002	3%	61%	1%					16%		18%	
2003	13%	48%	1%		39%						

2004	3%	76%						21%			
2005	3%	95%	1%					1%			
2006	12%	66%	2%					20%			
2007	13%	64%	2%					21%			
2008	11%	70%	2%					17%			
2009	10%	77%	1%					12%			
2010	3%	68%	1%		17%			11%			
2011	4%	94%	2%								

ALLOCATION CATEGORIES: The allocation categories used in these charts were developed by the U.S. Government Accountability Office (GAO).

### Sources

- McKinley, L. Dixon, and A. Devore. National Conference of State Legislatures, *State Management and Allocation of Tobacco Settlement Revenue 2003* (September 2003)
- Campaign for Tobacco-Free Kids, *A Broken Promise to Our Children: The 1998 State Tobacco Settlement Nine Years Later* (December 2007)
- United States Government Accountability Office, *Report to Congressional Requesters, GAO-03-407, Tobacco Settlement: States' Allocations of Fiscal Years 2002 and 2003 Master Settlement Agreement Payments* (February 2003)
- United States Government Accountability Office, *Report to Congressional Requesters, GAO-04-518, Tobacco Settlement: States' Allocations of Fiscal Year 2003 and Expected Fiscal Year 2004 Payments* (March 2004).
- United States Government Accountability Office, *Report to Congressional Requesters, GAO-05-312, Tobacco Settlement: States' Allocations of Fiscal Year 2004 and Expected Fiscal Year 2005 Payments* (March 2005)
- United States Government Accountability Office, *Report to Congressional Requesters, GAO-06-502, Tobacco Settlement: States' Allocations of Fiscal Year 2005 and Expected Fiscal Year 2006 Payments* (April 2006)
- 2006-2011 data provided by the Kansas Division of Budget, via email.