

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0414-03  
Bill No.: SB 386  
Subject: Education, Higher; Gambling.  
Type: Original  
Date: March 7, 2005

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	(Less than \$100,000)	(Less than \$100,000)	\$0
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Less than \$100,000)</b>	<b>(Less than \$100,000)</b>	<b>\$ 0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials from the **Department of Higher Education, Missouri Gaming Commission, Missouri Lottery Commission, Missouri House of Representatives** and the **Universities of Missouri, Southwest Missouri State and Central Missouri State** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Missouri Senate** state this proposal allows for the appropriation of up to \$200,000 to cover the cost of the study. Presently, any expenses of the Joint Committee on Gaming and Wagering are paid from the General Assembly's Joint Contingent appropriation, which could not absorb such additional expenses. Therefore, the Missouri Senate estimates the total cost of the proposal to be less than \$200,000 which would probably be spread over fiscal years 2006 and 2007.

Officials from **Southeast Missouri State University** did not respond to Oversight's request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<b>GENERAL REVENUE FUND</b>			
<u>Cost - Joint Committee on Gaming and Wagering</u>			
Expense - Study Contract	(Less than <u>\$100,000</u> )	(Less than <u>\$100,000</u> )	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(Less than \$100,000)</u></b>	<b><u>(Less than \$100,000)</u></b>	<b><u>\$0</u></b>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2006 (10 Mo.)	 FY 2007	 FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal provides for the Joint Committee on Wagering and Gaming to solicit competitive bids from state universities for a comprehensive study of pathological or problem gambling in this state. After bidding is closed, the Committee shall choose the best and lowest bid based on the academic and professional qualifications of the research team and the ability of the team to deliver the best data.

The study must focus on a review of existing policies regarding the prevention and treatment of pathological and problem gambling and formulate changes to these policies. The study must include information on the economic impact of pathological or serious problem gambling on the state and political subdivisions; how much money an individual pathological gambler costs society each year; the relationship between crime and gambling; the economic impact of gambling on other businesses; the demographics of pathological gamblers; and the costs and effectiveness of state and federal gambling regulatory policy.

RS:LR:OD (12/02)

DESCRIPTION (continued)

The study director shall hold hearings, administer oaths, take testimony, receive evidence and subpoena witnesses and production of documents. The proposal directs the university to complete the study and file a report by January 31, 2008, and requires the General Assembly to appropriate up to \$200,000 for the study.

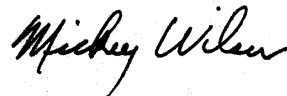
The proposal limits the number of gambling boat licenses which may be issued to eleven until such time as the university submits its report to the governor and the general assembly.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Gaming Commission  
Missouri Lottery Commission  
University of Missouri  
Southwest Missouri State University  
Central Missouri State University  
Missouri House of Representatives  
Missouri Senate

**NOT RESPONDING: Southeast Missouri State University**



Mickey Wilson, CPA  
Director  
March 7, 2005