

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5301-01
Bill No.: Perfected SB 1216
Subject: Tourism; Business and Commerce
Type: Original
Date: March 29, 2006

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| | | | |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development - Division of Tourism** state this proposal will have no fiscal impact on their agency.

Officials from the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form reviews, the AGO will need to request additional staff to handle the increase in workload.

| | | | |
|--|-------------------|-------------------|-------------------|
| <u>FISCAL IMPACT - State Government</u> | FY 2007 | FY 2008 | FY 2009 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

| | | | |
|--|-------------------|-------------------|-------------------|
| <u>FISCAL IMPACT - Local Government</u> | FY 2007 | FY 2008 | FY 2009 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

Small businesses that engage in the travel club business could see a negative fiscal impact due to certain services rendered that are not paid for due to rescission of a membership.

DESCRIPTION

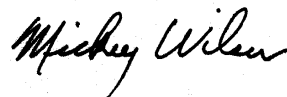
This proposed legislation modifies certain definitions used in the provisions regarding travel clubs and the required language used in rescission statements on travel club contracts. It changes how a travel club membership purchaser can rescind a transaction.

Currently, a travel club membership purchaser may receive a full refund after canceling their purchase, minus the cost of any services actually consumed or utilized. Under this proposed legislation, the purchaser is entitled to a full refund, minus the actual and reasonable cost of processing the refund, including credit card fees.

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

Department of Economic Development
Division of Tourism
Office of Attorney General



Mickey Wilson, CPA
Director
March 29, 2006