

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5875-05
Bill No.: Perfected SS for SCS for SB 841
Subject: Business and Commerce; Children and Minors; Education - Elementary and Secondary; Mental Health Department; Revenue Department; Tobacco Products
Type: Original
Date: April 16, 2014

Bill Summary: This proposal modifies provisions relating to alternative nicotine or vapor products.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Alcohol and Tobacco Control, Department of Health and Senior Services, Office of Prosecution Services, Department of Mental Health, and the Office of the State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

In response to a previous version of the proposal, officials from the **Department of Revenue** assumed the proposal would not fiscally impact their agency.

In response to a previous version of the proposal, officials from the **Department of Elementary and Secondary Education (DESE)** stated there is no anticipated state cost to the foundation formula associated with this proposal. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to school districts increases the deduction in the foundation formula the following year. Therefore, the affected districts will see an equal decrease in the amount of funding received through the formula the following year unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

Oversight assumes any increase or decrease in fine or penalty revenues generated cannot be determined. Therefore, the fiscal note does not reflect any fine or penalty revenues for the local school districts.

Officials from the Branson Public Schools, Independence Public Schools, and Columbia Public Schools did not respond to our request for fiscal impact.

Oversight assumes Senate Amendment 1 would not create a fiscal impact to the state or local political subdivisions.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses that sell alternative nicotine or vapor products may be fiscally impacted as a result of this proposal.

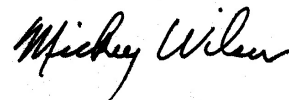
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Public Safety
 Alcohol and Tobacco Control
Office of the State Courts Administrator
Department of Revenue
Department of Elementary and Secondary Education
Office of Prosecution Services
Department of Health and Senior Services
Department of Mental Health



Mickey Wilson, CPA
Director
April 16, 2014

Ross Strope

L.R. No. 5875-05
Bill No. Perfected SS for SCS for SB 841
Page 5 of 5
April 16, 2014

Assistant Director
April 16, 2014

RAS:LR:OD