

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2690-01
BILL NO.: SB 553
SUBJECT: Insurance - Medical, Insurance - Life, Licenses - Professional, Economic
 Development Department
TYPE: Original
DATE: January 24, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Athletic	(\$13,230)	(\$15,877)	(\$15,877)
Total Estimated Net Effect on <u>All</u> State Funds	(\$13,230)	(\$15,877)	(\$15,877)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health** assume this proposal would not fiscally impact their agency.

Department of Economic Development (DED) officials assume a reduction in revenue, based on FY 1999 fees collected, of \$15,877 from events promoted by small business boxing promoters from the Athletic Fund. This reflects an assumption that the number of licenses would reduce due to the requirements of the proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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ATHLETIC FUND

Loss - Department of Economic
 Development

Events fees	<u>(\$13,230)</u>	<u>(\$15,877)</u>	<u>(\$15,877)</u>
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ESTIMATED NET EFFECT ON ATHLETIC FUND	<u>(\$13,230)</u>	<u>(\$15,877)</u>	<u>(\$15,877)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

Boxing promoters could have administrative duties and costs for premiums on insurance policies.

DESCRIPTION

MPW:LR:OD:005 (9-94)

L.R. NO. 2690-01
BILL NO. SB 553
PAGE 3 OF 3
January 24, 2000

This proposal would require professional boxing promoters to file proof of insurance of not less than \$100,000 for each boxer with the Department of Economic Development. If the promoter does not file proof of insurance, the promoter would not be issued a permit or license to promote professional boxing matches. The insurance policy would cover any medical expense associated with a boxing injury. The insurance policy would also pay the boxer's estate if the boxing injury results in death.

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 Health
Department of Economic Development



Jeanne Jarrett, CPA
Director
January 24, 2000