

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4350-01
BILL NO.: SB 991
SUBJECT: Boards, Commissions, Committees, Councils; Fees; Crimes and Punishment;
 Gambling; Mental Health Department.
TYPE: Original
DATE: February 21, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Early Childhood Development, Education and Care Fund*	(\$413,333)	(\$508,400)	(\$521,100)
Compulsive Gamblers Fund*	\$413,333	\$508,400	\$521,100
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

* Subject to Appropriation

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
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 4 pages.

FISCAL ANALYSIS

Officials from the **Department of Revenue (DOR)** state this proposal provides that one cent of each dollar of the excursion boat admission fee deposited to the Gaming Commission Fund is to be appropriated to the Compulsive Gamblers Fund. It also allows for the establishment of programs to provide treatment, prevention and education services for compulsive gambling to be funded by appropriations from the Compulsive Gamblers Fund. The DOR assumes there is little or no administrative impact to their agency.

Officials from the **Missouri Gaming Commission (GAM)** state this proposal would provide a stable source of funding to combat problem gambling. The GAM estimates the amount of revenue that would be directed to the Compulsive Gamblers Fund in FY 2001 as a range of \$0 to \$496,000. In FY 2002, the amount is estimated to be \$0 to \$508,400, and in FY 2003, the amount is estimated to be \$0 to \$521,100. In its estimates, the GAM assumes an annual increase in admissions consistent with current inflationary levels of approximately 2.5 percent.

Officials from the **Department of Mental Health (DMH)** state they currently contract for compulsive gambling services. These programs are funded through the Compulsive Gamblers Fund and if the DMH receives this funding, compulsive gambling programming will be expanded. In addition to the expansion of treatment services, compulsive gambling prevention services will be provided. The DMH used the estimates determined by the Gaming Commission for potential funds available to the Compulsive Gamblers Fund from this proposal.

The **Office of Administration** assume this proposal should not result in additional costs or saving to their agency.

Officials from the **Department of Social Services** assume this proposal will not fiscally impact their agency.

Officials from the **Department of Elementary and Secondary Education** state this proposal may reduce the amount of moneys transferred into the Early Childhood Development, Education and Care Fund, and distributed through the Missouri Preschool Program. The amount of the reduction is not known since it would be subject to appropriation.

Officials from the **Office of Secretary of State (SOS)** assume there would be costs due to additional publishing duties related to the Gaming Commission's authority to promulgate rules and regulations. SOS estimates the division could require approximately 6 new pages of regulations in the Code of State Regulations at a cost of \$26.50 per page, and 9 new pages in the Missouri Register at a cost of \$22.50 per page. Costs due to this proposal are estimated to be

ASSUMPTION (continued)

\$362, the actual fiscal impact would be dependent upon the actual rulemaking authority and may be more or less. Financial impact in subsequent fiscal years would depend entirely on the number, length, and frequency of the rules filed, amended, rescinded, or withdrawn. SOS does not anticipate the need for additional staff as a result of this proposal; however, the enactment of more than one similar proposal may, in the aggregate, necessitate additional staff.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

The **Department of Public Safety, Highway Patrol** did not respond to our request for fiscal impact.

Oversight assumes the Gaming Commission and all related parties could implement the voluntary exclusion provision of this proposal with existing resources

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
EARLY CHILDHOOD DEVELOPMENT, EDUCATION AND CARE FUND			
<u>Loss</u> - transfer of 1% of admissions revenue to the Compulsive Gamblers Fund	(\$413,333)	(\$508,400)	(\$521,100)
COMPULSIVE GAMBLERS FUND			
<u>Income</u> - transfer of 1% of admissions revenues	\$413,333	\$508,400	\$521,100

SUBJECT TO APPROPRIATION

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

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FISCAL IMPACT - Small Business

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

DESCRIPTION

This act authorizes the General Assembly to redirect one cent of the two dollar admission fee paid to the Gaming Commission to the credit of the "Compulsive Gamblers Fund". The services funded by this fee have been expanded to include a variety of programs established to treat and prevent compulsive gambling.

This act authorizes the Gaming Commission to contract for services to deal with compulsive gambling. This act also allows individuals to voluntarily exclude themselves from excursion gambling boats, thereby electing to expose themselves to a conviction of trespassing in the first degree and full forfeiture of any gambling chips, tokens or electronic gaming credits in their possession.

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

Gaming Commission
Department of Revenue
Office of the Secretary of State
Office of Administration
Department of Elementary and Secondary Education
Department of Mental Health
Department of Social Services

NOT RESPONDING: Missouri Highway and Transportation Department



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Director
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