

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1923-01  
Bill No.: SB 485  
Subject: Gambling; Appropriations; Higher Education.  
Type: Original  
Date: March 22, 2001

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue *	(\$50,000)		
<b>Total Estimated Net Effect on <u>All</u> State Funds *</b>	<b>(\$50,000)</b>	<b>\$0</b>	<b>\$0</b>

\* Subject to Appropriation.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **University of Missouri** estimate that a period of eight to twelve months will be required to complete the study. Estimates are based on a recognition of the complexity of gaming, gambling regulation, and problem gambling, and the fact that the impact of gambling on the various levels of government, assessing the relationship between gambling and crime, gambling industry contributions and influences on public policy, and assessing the effectiveness of existing practices as a deterrent cannot be determined in a straightforward, direct manner, but will instead require creative research methods.

Staff:	1 Faculty Researcher @ .25 FTE for 8 months	\$12,000
	1 Faculty Researcher @ .25 FTE for 6 months	9,000
	1 Faculty Researcher @ .15 FTE for 8 months	7,200
	1 Faculty Researcher @ .15 FTE for 6 months	5,400
	1 Senior Policy Analyst @ .50 FTE for 8 months	19,000
	1 Junior Policy Analyst @ .50 FTE for 8 months	12,000
	Fringe Benefits for Staff (@ 25% of staff costs)	16,150

#### Related Expenses:

Consultants on Addictions, Addictive Behaviors, Compulsive Behaviors	7,500
Intra-state travel to hold hearings	5,000
Office equipment and telephone charges	750
Charges for computer hookups, data sharing, and computer time	2,500
Graphics, copying, binding, mailing, etc. for 300 copies of final report @ \$7.50 per	<u>2,250</u>

Total Estimated Costs            \$98,750

Officials from the **Missouri Gaming Commission (GAM)** state this proposal would have no fiscal impact to the commission. However, the proposed legislation directs the university to conduct a comprehensive legal and factual study of gambling in this state. GAM believes that this type of study could be conducted with an appropriation of no more than \$50,000.

ASSUMPTION (continued)

Officials from the **Office of the State Courts Administrator** and the **Office of Administration** each assume this proposal would not fiscally impact their respective agencies.

**Oversight** assumes the \$50,000 limit for this study will be appropriated to the University of Missouri-Columbia from General Revenue Funds in FY 2002.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<b>GENERAL REVENUE</b>			
<u>Costs</u> - Study on gambling to be conducted by University of Missouri *	(\$50,000)	\$0	\$0

\* **Subject to Appropriation**

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal authorizes the University of Missouri-Columbia to conduct a comprehensive study of the gambling in Missouri, including a study of:

1. The economic and societal aspects and effects of gambling,
2. The influence of gambling businesses on the regulation of gambling,
3. The relationship between gambling and crime, and
4. The effectiveness of gambling-related law enforcement and regulatory efforts.

DESCRIPTION (continued)

The proposal directs the University to complete the study and file a report by January 31, 2004, and caps the appropriation for the study at \$50,000.

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

Office of the State Courts Administrator  
Missouri Gaming Commission  
Office of Administration  
University of Missouri



Jeanne Jarrett, CPA  
Director

March 22, 2001