

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1665-01  
Bill No.: HB 592  
Subject: Gambling  
Type: Original  
Date: March 2, 2005

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Compulsive Gamblers Fund	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 to Unknown</b>	<b>\$0 to Unknown</b>	<b>\$0 to Unknown</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### **FISCAL ANALYSIS**

#### **ASSUMPTION**

Officials from the **Department of Revenue (DOR)** state this proposal allows the winnings on certain excursion boat jackpots to be credited to the Compulsive Gamblers Fund. DOR assumes the proposal would have no fiscal impact on their Division of Taxation. DOR also assumes Total State Revenues would be increased since any winnings made by a self-excluded gambler would be credited to the Compulsive Gamblers Fund.

Officials from the **Missouri Gaming Commission (GAM)** state the fiscal impact of the proposal is unknown since it is not feasible to assess the potential fiscal impact of this initiative due to the following factors:

1. Record-keeping relating to jackpots won by persons on the List of Disassociated Persons is not performed consistently by the casinos, so GAM does not possess accurate records of these jackpots. Jackpots won by persons on the List are void wagers and subject to forfeiture under Commission regulations. Policies and procedures for handling illegal wagers vary among the casinos. In many cases the jackpot is voided, as if it had never occurred. Therefore, it is not possible to accurately track the historic sum of jackpots won by Disassociated Persons.
2. Without baseline data from past years, it is not possible to develop a trend analysis of the potential future jackpots. Moreover, there is no evidence that the numbers of persons on the List is predictive of jackpots that will be won in the future, as jackpots occur randomly.

ASSUMPTION (continued)

**Oversight** assumes the proposal could possibly result in additional proceeds for the Compulsive Gamblers Fund and have shown the amount as \$0 to Unknown.

**This proposal could increase Total State Revenues.**

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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**COMPULSIVE GAMBLERS FUND**

<u>Income - from jackpot winnings of person on compulsive gambler exclusion list</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
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<b>ESTIMATED NET EFFECT TO THE COMPULSIVE GAMBLERS FUND</b>	<b><u>\$0 TO UNKNOWN</u></b>	<b><u>\$0 TO UNKNOWN</u></b>	<b><u>\$0 TO UNKNOWN</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

DESCRIPTION

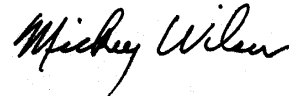
This proposal requires jackpots over \$1,200 won by self-excluded problem gamblers on excursion gambling boats to be deposited into the Compulsive Gamblers Fund.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Revenue  
Missouri Gaming Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
March 2, 2005