

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5200-01
Bill No.: HB 1342
Subject: Gambling; Credit and Bankruptcy
Type: Original
Date: February 28, 2014

Bill Summary: This proposal authorizes gaming establishments to provide lines of credit.

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

§§ 313.800, 313.812, 313.817 and 313.830 - Gambling Boat Lines of Credit:

Officials at the **Missouri Gaming Commission** assume this proposal has an unknown fiscal impact. The impact is unknown because it is impossible to estimate the additional revenue potential for attracting major players to Missouri casinos. Regarding the cost to regulate, the fiscal impact is unknown because it is unclear which governmental agency if any would have regulatory authority for this legislation.

Officials at the **Office of Administration - Budget and Planning** assume this proposal could potentially increase gaming revenues which would also increase total state revenues by an unknown amount. Budget and Planning defers to the Missouri Gaming Commission for the estimate.

Officials from the **Department of Higher Education (DHE)** state gaming funds are not a dedicated source of revenue for state scholarship and grant programs. Consequently, a change in the amount of funds generated by gaming does not result in a direct increase in the revenue available for those programs.

Oversight notes that it is unable to measure the impact of establishing lines of credit at Missouri gambling boats. This proposal could increase the number of people attending a Missouri casino or the amount of money gambled by patrons. Any potential increase in gaming revenue would impact the gaming taxes collected, therefore increasing total state revenue; however, **Oversight** considers this an indirect impact and will not reflect it in the fiscal note.

Officials at the **Department of Higher Education**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **Missouri Veterans Commission**, **St. Louis County**, and the **City of Kansas City** each assume there is no fiscal impact to their organization from this proposal.

<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

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

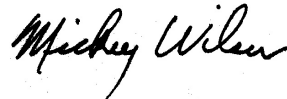
FISCAL DESCRIPTION

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

Missouri Gaming Commission
Department of Higher Education
Office of Administration - Division of Budget and Planning
Department of Insurance, Financial Institutions and Professional Registration
Missouri Veterans Commission
St. Louis County
City of Kansas City



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February 28, 2014

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