

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4449-01
Bill No.: HB 1160
Subject: Veterans; Gambling
Type: Original
Date: January 20, 2012

Bill Summary: This proposal adds an additional \$1 to the excursion gambling boat entrance fee with the moneys to be deposited in the Veterans Commission Fund.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Veterans Commission Capital Improvement Trust	\$41,914,122	\$51,792,993	\$52,828,853
Total Estimated Net Effect on <u>Other</u> State Funds	\$41,914,122	\$51,792,993	\$52,828,853

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
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 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Missouri Gaming Commission** (GAM) assumes this proposal would add a \$1 fee per admission to the excursion gambling boat entrance fee with the moneys designated to the Veterans Commission Capital Improvement Trust-Fund (VCCITF).

GAM assumes admission fee revenue will vary considerably for casinos located in the Kansas City area versus St. Louis and all other Missouri casinos. GAM assumes a February opening date of the “Hollywood” casino located in the state of Kansas, Woodlands area, and will reduce casino admission revenues for casinos in the Kansas City, MO region.

GAM assumes among the Kansas City area casinos, admissions are assumed to drop by 13% for FY 2012 reflecting a partial year when opening occurs; For FY 2013 assumes an additional 10% to reflect a full year of the Kansas opening; and for FY 2014 a rebound of 5% over FY 2013.

GAM assumes for the St. Louis area casino admissions will be down 2% for FY 2012 and 3% for FY 2013, and rebounding by 2% for FY 2014.

GAM assumes for all other out-state Missouri casinos assumptions have been made to account for the partial year December 2012 opening of the Cape Girardeau casino in FY 2012, the full year implementation of the Cape Girardeau Casino in FY 2013, and its impact on the Caruthersville casino.

GAM assumes in FY 2015 an increase in casino admission fees statewide of 2%.

GAM estimates this proposal would provide additional statewide revenues from the excursion gambling boat entrance fee to the VCCITF; FY 2013: \$50,296,946; FY 2014: \$51,792,993; and FY 2015: \$52,828,853.

Oversight assumes for fiscal note purposes the additional admission fee revenue in FY 2013 will be for 10 months. Oversight is showing the estimated revenue for 10 months in FY 2013 at \$41,914,122 then increasing to the estimated amounts provided by GAM.

ASSUMPTION (Continued)

Officials at the **Missouri Veterans' Commission (VET)** assume this proposal will increase the gaming boat admission fee by \$1. VET estimates that this legislation will increase revenue to the VCCITF by about \$50 million a year. VET defers to the Missouri Gaming Commission for a specific estimate on the fiscal impact .

Officials at the **Office of Administration - Division of Budget and Planning (BAP)** assume the admission fee is currently \$2. Of that amount \$1 is distributed to each the state and the dock city. This proposal would increase the admission fee to \$3, with the additional \$1 to be distributed to the Veterans' Commission Capital Improvement Trust Fund. This will be an increase to Total State Revenue. BAP defers to the Missouri Gaming Commission for a specific estimate on the impact to the Gaming Commission Fund.

Oversight assumes this proposal would increase the current \$2 dollar admission fee by 50% to \$3 dollars for excursion gambling boat patrons.

Oversight assumes this additional revenue cannot be diverted, transferred or allocated to any other fund.

Officials at the **State Treasurer's Office** assumes there is no fiscal impact from this proposed legislation.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
VETERANS' COMMISSION CAPITAL IMPROVEMENT TRUST FUND			
<u>Revenue - Additional \$1 casino boat entrance fee</u>	<u>\$41,914,122</u>	<u>\$51,792,993</u>	<u>\$52,828,853</u>
ESTIMATED NET EFFECT ON VETERANS' COMMISSION CAPITAL IMPROVEMENT TRUST FUND	<u>\$41,914,122</u>	<u>\$51,792,993</u>	<u>\$52,828,853</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<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.

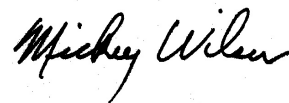
FISCAL DESCRIPTION

This proposal increases the excursion gambling boat admission fee from \$2 to \$3 and requires that \$1 of the fee be deposited into the Veterans Commission Capital Improvement Fund. Any moneys in the fund cannot be diverted, transferred, or allocated for any other purpose or to any other fund.

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
Missouri Veterans' Commission
Office of Administration -
Division of Budget and Planning
State Treasurer's Office



Mickey Wilson, CPA
Director

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