

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2453-01  
Bill No.: HB 1213  
Subject: Entertainment, Sports and Amusements; Boards, Commissions, Committees, Councils  
Type: Original  
Date: April 13, 2015

Bill Summary: This proposal establishes provisions regulating amateur unarmed combat competitions.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Office of Athletics	\$21,475	(\$59,143)	\$23,286
Professional Registration Fees*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$21,475</b>	<b>(\$59,143)</b>	<b>\$23,286</b>

\*Income and Expenses Net to Zero.

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</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 FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Professional Registration Fees	1	1	1
<b>Total Estimated Net Effect on FTE</b>	<b>1</b>	<b>1</b>	<b>1</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTIONS**

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** assume that approximately 2,595 individuals in the state of Missouri will be required to obtain a national identification card from the office. An Investigator II (\$37,548 annually) will be needed to conduct investigations and inspections, serve notices, and gather information required by the board.

Two inspectors are used for each event held in Missouri. It is anticipated that approximately 145 AMMA events will occur annually. It is not anticipated that there will be overnight stays for the inspectors, however, the office will pay mileage expenses. With 145 AMMA events anticipated annually, \$150 per diem per event, and two inspectors at each event, DIFP would expect an annual expense of \$43,500 for inspectors. The travel expense estimated would be \$3,219,145 total days of travel, 60 average round trip mileage, and a reimbursement rate of .37 per mile.

For the purposes of this fiscal note, DIFP’s current fees are being used to estimate costs. It is important to note that once the fees are established by rule, other fees could offset the estimated revenue and, therefore, costs could vary.

License Category	Estimated Number of Licensees	Estimated Fee (Based on Current Fees)	Revenue from Additional Fees
Promoters	15	\$ 400	\$ 6,000
Contestants	1,000	\$ 40	\$ 40,000
Referees	15	\$ 50	\$ 750
Judges	30	\$ 50	\$ 1,500
Matchmakers	10	\$ 200	\$ 2,000
Second (Cornerperson)	1,500	\$ 20	\$ 30,000
Announcers	5	\$ 20	\$ 100
Timekeepers	10	\$ 20	\$ 200
Physicians	10	(Current Missouri License)	\$ -
<b>Total Biennial AMMA Licensure Fee Revenue</b>			<b>\$ 80,550</b>

ASSUMPTIONS (continued)

**AMMA Events:**

145	Number of Events
\$ 25	Permit Fee per Event
<b>\$ 3,625</b>	Office of Athletics revenue from permit fees
<u>\$ 6,000</u>	Estimated revenue per event
<u>\$ 870,000</u>	Total Event Revenue
<u>\$ 43,500</u>	Office of Athletics portion of event revenue (5%)
<b>\$ 40,455</b>	Office of Athletics portion of event revenue after 7% sales tax applied
<b><u>\$ 44,080</u></b>	<b>Total Annual AMMA Contest Fee Revenue</b>

It is assumed all fees collected would be deposited into the Office of Athletics Fund, and all expenses will be paid out of that fund.

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

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

**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.

Officials from the **Attorney General's Office** did not respond to Oversight's request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
<b>OFFICE OF ATHLETICS FUND</b>			
<u>Income - DIFP</u>			
Biennial Licensure Fee Revenue	\$80,550	\$2,417	\$85,455
<u>Income - DIFP</u>			
Annual Contest Fee Revenue	\$44,080	\$44,080	\$44,080
<u>Transfer - Out</u>			
To Professional Fees Fund - ID Cards	<u>(\$103,155)</u>	<u>(\$105,640)</u>	<u>(\$106,249)</u>
<b>ESTIMATED NET EFFECT ON ATHLETICS FUND</b>	<b><u>\$21,475</u></b>	<b><u>(\$59,143)</u></b>	<b><u>\$23,286</u></b>
<b>PROFESSIONAL REGISTRATION FEES FUND</b>			
<u>Transfer - In</u>			
From Office of Athletics Funds	\$103,155	\$105,640	\$106,249
<u>Costs - DIFP</u>			
Salaries	(\$74,790)	(\$81,423)	(\$81,803)
Fringe Benefits	(\$16,272)	(\$19,722)	(\$19,919)
Equipment and Expense	(\$12,093)	(\$4,495)	(\$4,527)
<u>Total Costs - DIFP</u>	<u>(\$103,155)</u>	<u>(\$105,640)</u>	<u>(\$106,249)</u>
FTE Change - DIFP	1 FTE	1 FTE	1 FTE
<b>ESTIMATED NET EFFECT ON PR FEES FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<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.

FISCAL DESCRIPTION

The proposed legislation outlines rules and regulation for amateur unarmed combat competitions in Missouri.

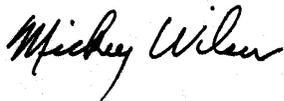
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the State Courts Administrator  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Revenue  
Office of the Secretary of State

**Not Responding:**

Attorney General's Office



Mickey Wilson, CPA  
Director  
April 13, 2015

Ross Strobe  
Assistant Director  
April 13, 2015