

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2687-03
Bill No.: HB 1411
Subject: Business and Commerce
Type: Original
Date: February 24, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development** stated this proposal would have no fiscal impact on their agency.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses that issue gift certificates or promotional items could be fiscally impacted as a result of this proposal.

DESCRIPTION

This proposal provides standards for any entity doing business in this state that issues gift certificates or offers promotional premiums, coupons, or sales agreements.

Gift certificates must have an expiration date of at least one year from the date of purchase and must allow for a cash redemption of any amount not redeemed within one year of the expiration date.

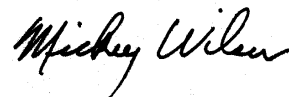
Promotional premiums, coupons, or sales agreements must have the expiration date printed on them and must allow for a cash redemption of any amount not redeemed within two years of the expiration date.

Businesses offering gift certificates, promotional premiums, coupons, or sales agreements will be prohibited from imposing a maintenance fee or surcharge if the item is not redeemed within a specific time or if a cash refund is issued.

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

Department of Economic Development
Office of Attorney General



Mickey Wilson, CPA
Director
February 24, 2004