

HCS HB 1141 -- GAMING COMMISSION FUND

SPONSOR: Jackson

COMMITTEE ACTION: Voted "do pass" by the Committee on Veterans by a vote of 8 to 3.

Currently, appropriations to the Gaming Commission Fund are used for its operating expenses and the balance is distributed as follows:

(1) Up to one cent of the revenue from license fees, penalties, administrative fees, or reimbursements by operators may be appropriated to the Compulsive Gamblers Fund;

(2) \$500,000 must be appropriated on a per capita basis to cities and counties that match the state portion and have demonstrated a need for funding community neighborhood organization programs for the homeless and to deter gang-related violence and crimes;

(3) \$4.5 million to the Missouri College Guarantee Fund;

(4) \$3 million to the Veterans' Commission Capital Improvement Trust Fund;

(5) \$3 million to the Missouri National Guard Trust Fund; and

(6) The remaining net proceeds must be transferred to the Early Childhood Development Education and Care Fund unless more than \$28 million remains in the fund after the above appropriations in which case a second set of transfers is authorized as follows: an additional \$500,00 will be transferred to the Missouri College Guarantee Fund, an additional \$3 million to the Veterans' Commission Capital Improvement Trust Fund, and an additional \$1 million to the Missouri National Guard Trust Fund. If any moneys remain after these transfers are made, they are deposited into the Early Childhood Development, Education and Care Fund.

This substitute requires that all revenue in the Gaming Commission Fund be distributed by the Office of Administration rather than the Gaming Commission.

The Gaming Commission will continue to receive an appropriation for operation and administrative costs; however, the Office of Administration is only authorized to distribute 80% of the commission's total appropriation before other distributions are made. The commission will receive the remaining balance of its appropriation after the moneys have been distributed as currently required.

After the second set of transfers are made, any remaining moneys are divided equally between the College Guarantee Fund, the Veterans' Commission Capital Improvement Trust Fund, the National Guard Trust Fund, and the Early Childhood Development, Education and Care Fund. Currently, these remaining funds are transferred only to the Early Childhood Development, Education and Care Fund.

FISCAL NOTE: No impact on state funds in FY 2007, FY 2008, and FY 2009.

PROPOSERS: Supporters say that the bill will distribute the money in the Gaming Commission Fund in an equitable manner between the Veterans' Capital Improvement Trust Fund, National Guard Trust Fund, College Guarantee Fund, and Early Childhood Development, Education, and Care Fund. This distribution will give more money to Missouri's seven veterans hospitals, allowing more veterans to receive care. This is important because there is a waiting list for admittance to a veterans hospital despite the fact that there are beds available. The problem is that there isn't enough money to hire the staff required to care for more patients. The bill will alleviate this problem. There are about four family members related to every veteran in this state. When you help a veteran, you help the entire family. Providing a veteran with extra services and money will improve the whole family's quality of life. By increasing funding for veterans, children and the elderly will be positively affected, too.

Testifying for the bill were Representative Jackson; Jason Blakemore, Veteran of Foreign Wars Service Officer; American Legion, Department of Missouri; Disabled American Veterans; Missouri Association of Veterans Organizations; American Legion, Department of Missouri; Pat Kerr, Support Our Troops; Military Officers Association of America, State Council; Veterans of Foreign Wars of the United States, Missouri Department; Vietnam Veterans of America, Missouri State Council; and Marine Corps League, Department of Missouri.

OPPOSERS: Those who oppose the bill say that of the four funds affected only the Early Childhood Development, Education, and Care Fund will lose money. Children are being asked to forgo services so that veterans can have more. This money provides direct services to families across the state, including military families. Reducing funding will have a negative affect on families. This money funds high-quality, early learning for children who might not otherwise have this opportunity. Early childhood education is critical, and children who participate in these programs are more successful. Early childhood education is one of the most effective programs the state can invest in because it increases the likelihood that a child will have higher achievement scores and graduate. Also, children who participate

in early education programs are less likely to need public assistance later, since they are more likely to have greater earnings.

Testifying against the bill were Missouri National Education Association; Citizens for Missouri's Children; Missouri Child Care Resource and Referral Network; Policy Works, LLC; Missouri School Boards' Association; and Missouri State Teachers Association.

OTHERS: Others testifying on the bill say the purpose of the \$1 admission fee is to fund the regulatory effort related to Missouri's casino industry. The Gaming Commission is funded entirely by this fee. No tax money is used to fund the commission. Reducing the amount of money the commission receives will significantly impact its ability to monitor and maintain the integrity of the casino industry. Background checks that are performed on every casino employee will be slower, reduced, or not done at all. Currently, there are State Highway Patrolmen on duty at each casino as long as it is open. A reduction in commission funding will not allow the casinos to maintain this level of staffing.

Others testifying on the bill were Missouri Veterans Commission; Missouri Gaming Commission; and Missouri Association for Community Action, Incorporated.

Alice Hurley, Legislative Analyst