

OFFICE OF FISCAL ANALYSIS

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sHB-7334

AN ACT ESTABLISHING A COMMISSION ON GAMING.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 20 \$	FY 21 \$
Consumer Protection, Dept.	GF - Transfer from	2,067,950	None
Commission on Gaming	GF - Transfer to	2,067,950	None
Commission on Gaming	GF - Cost	587,126	600,937
State Comptroller - Fringe Benefits ¹	GF - Cost	234,489	247,386

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill creates a Commission on Gaming as a separate executive branch agency and results in transfers and costs for various agencies described below.

Transfer from DCP to Commission on Gaming:

- The bill will result in a transfer of 27 positions and approximately \$2.1 million in costs for staff and expenses associated with regulation of gaming activities currently administered by the Department of Consumer Protection (DCP). Additionally, 12.5 positions funded by the two tribes via an memorandum of understanding (MOU) will be

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.19% of payroll in FY 20 and FY 21.

transferred to the Commission.

Commission Costs:

- The bill is anticipated to result in a cost of \$821,615 in FY 20 and \$848,323 in FY 21 to the Commission for salary and fringe benefit costs associated with hiring seven new positions. The positions include: three commission members, one executive director, one secretary, one administrative assistant, and one staff attorney.
- The commission may have one-time potential costs related to moving and equipment and on-going costs related to rents and utilities.

Chronic Gamblers Treatment Fund:

- To the extent that new forms of gaming are introduced after January 1, 2020, there will be a revenue gain to the Chronic Gamblers Treatment Fund from the 2% set aside.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.