

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 157** SLS 23RS 243

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 16, 2023 11:24 AM	Author: FOIL
Dept./Agy.: Lottery Corporation	Analyst: Deborah Vivien
Subject: Allows for lottery ticket purchases through the internet	

LOTTERIES OR INCREASE SD RV See Note Page 1 of 1
Provides for the purchase of certain lottery tickets through the internet.(2/3-CA12s6(A)(2)) (8/1/23)

Current law considers some types of gambling and gambling by computer as illegal.

Proposed law exempts lottery ticket purchases from the definition of gambling and gambling by computer and allows the Louisiana Lottery Corporation Board to adopt rules to effectuate lottery ticket sales through the internet.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

The Lottery Corporation withholds the amount necessary to fund its agency from lottery proceeds and transfers the remainder to the state (minimum of 25%). Any resources required to offer lottery ticket sales through the internet will be accommodated within its operational expenses and deducted from the proceeds. The LA Lottery Corporation budget is approved by JLCB but is not appropriated in the General Appropriations Bill.

REVENUE EXPLANATION

The LA Lottery Corporation predicates its model on the experience of other states with internet lottery sales. The closest comparison is Georgia based on expected prize structures for Electronic Instant Games (E-instant Games) and the inclusion of draw games, such as Powerball and Mega Millions, on the Lottery Corporation internet portal. Expected new state transfers from the Lottery Corporation once the internet offerings are fully functional is expected to be \$38.5M annually with \$32.5 M from E-instant games and \$6 M from draw games. Lottery Corporation expects to have draw games ready for the second half of FY 24 and add E-instant games in FY 25.

Typically, the revenue forecast does not incorporate gaming winnings until the mechanisms to receive those winnings are operational. It is expected that once funds begin to flow to the state, they will be incorporated into the forecast of available funds. Like other lottery transfers, these funds will be dedicated to education through the Lottery Proceeds Fund (less \$500,000 to Compulsive Gaming Fund), which feeds into the Minimum Foundation Program.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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