

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 5** HLS 24RS 165

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 10, 2024	11:38 AM	<b>Author:</b> OWEN, CHARLES
<b>Dept./Agy.:</b> Higher Education		<b>Analyst:</b> Chris Henry
<b>Subject:</b> Acceptance of Cash at Events		

**PUBLIC FACILITIES**

EG SEE FISC NOTE SG RV

Provides relative to types of payment accepted at public events at public postsecondary education institutions

Proposed legislation would require all public postsecondary education institutions and management boards to accept cash as a valid method of payment for goods sold at athletic and other public events including, but not limited to, merchandise and concessions.

<b>EXPENDITURES</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

The majority of campuses report no anticipated direct material effect on expenditures as a result of this measure. The operations of concessions facilities and merchandise storefronts vary greatly throughout the state from campus to campus and even at different venues on the same campus.

Some institutions report concessions operating through third-party contracts which, if required to change their policies regarding cash acceptance, could incur added costs that are passed on to the customer. Many of the largest athletic venues are located at LSU A&M, which anticipates some added costs associated with more staffing to monitor points of sale, to account for cash sales, and for contracted security and armored vehicle transport for cash collections after events; however, these new costs would be born by the contracted third-party vendor.

Reasons expressed in support for cashless systems include the speed and security of processing payment transactions which can also improve reporting of data to identify customer trends. It is not clear from the proposed legislation if cash would be required at every point-of-sale or if new cash accepting options could be added alongside existing cashless infrastructure.

**REVENUE EXPLANATION**

LSU A&M receives commission from its contracted third-party vendor on all concession sales and estimates an annual loss of \$75,000 in revenue from decreased sales at these events resulting from the added processing time to process cash transactions. According to the institution, on average approximately 70,000 transactions occur on the LSU A&M campus during the day of a home football game.

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}

**Patrice Thomas**  
**Deputy Fiscal Officer**