



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

Fiscal Note On: **SB 235** SLS 24RS 358  
 Bill Text Version: **RE-REENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 2, 2024	9:09 AM	<b>Author:</b> HENSGENS
<b>Dept./Agy.:</b> Department of Public Safety/Agriculture		<b>Analyst:</b> Deborah Vivien
<b>Subject:</b> Dedicates a portion of sports wagering revenue		

GAMING RR -\$250,000 GF RV See Note Page 1 of 1  
 Provides relative to the regulation of sports wagering. (8/1/24)

Current law authorizes sports wagering on electronic devices through website or mobile application and levies a tax of net gaming proceeds from sports wagering by consumers in the state under provisions of LA R.S. 27:625. A percentage of state proceeds are dedicated to various funds with the remainder flowing to the state general fund.

Proposed law retains current law and adds a dedication of 2.5%, up to \$250,000, of retail and mobile sports wagering tax proceeds to the Louisiana Equine Promotion and Research Program annually. The bill creates the LA Equine Promotion and Research Fund to fund the program through the Department of Agriculture and Forestry. Proposed law adds permit renewal fees to the revenue stream for sports wagering.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Total</b>						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$1,250,000)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

The bill creates the LA Equine Promotion and Research Fund which will receive 2.5% of sports betting proceeds, up to \$250,000, and will be appropriated through the Department of Agriculture and Forestry beginning in FY 25 to fund the Louisiana Equine Promotion and Research Program. The bill results in a redirection of SGF to a statutory dedication for a specific expenditure purpose.

New dedication in the bill:

2.5% LA Equine Promotion and Research Program (maximum \$250,000)

Current dedications that are retained in the bill include:

- 2% Behavioral Health and Wellness Fund (minimum \$500,000)
- 25% LA Early Childhood Education Fund (up to \$20M)
- 10% Sports Wagering Local Allocation Fund
- 2.5% Sports Wagering Purse Supplement Fund
- 2% Disability Affairs Trust Fund (maximum \$500,000)
- Greater of 3% or \$500,000 to Compulsive and Problem Gaming Fund
- Remainder to the State General Fund (roughly 60%)

Creating a new statutory dedication within the state treasury will result in a marginal workload increase for the Department of Treasury, which can generally be absorbed within existing resources. However, to the extent other legislative instruments create new statutory dedications, there may be material additional costs associated with the aggregate effort to administer these funds. The Treasury performs fund accounting, financial reporting, banking and custodial functions for 443 special funds. When unable to absorb additional workload with existing resources, the Treasury anticipates it will be required to add one T.O. position at a total personnel services cost of approximately \$95,000, plus approximately \$2,450 for a one-time purchase of office equipment.

**REVENUE EXPLANATION**

The bill will redirect \$250,000 state general fund, which is the amount of 2.5% of net gaming proceeds from sports wagering as generated pursuant to the provisions of LA R.S. 27:625 as recognized by the Revenue Estimating Conference (for this note, on December 14, 2023). Sports wagering taxes commenced collection in November 2021 and are projected to maintain \$35 M per year throughout the fiscal note horizon (assuming FY 29 continues on trend) which means the cap of \$250,000 will be reached each year.

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}

*Alan M. Boxberger*  
 Alan M. Boxberger  
 Legislative Fiscal Officer