

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 298** HLS 18RS 635
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 21, 2018 8:49 AM	Author: BROWN, CHAD
Dept./Agy.: Department of Public Safety/Gaming Control Board	Analyst: Ryan Guidry
Subject: Thresholds for Non-Gaming Supplier Permits	

GAMING EN SEE FISC NOTE SD RV See Note Page 1 of 1
 Provides relative to non-gaming supplier permits

Present law requires non-gaming suppliers who furnish goods or services in excess of \$200,000 per year to a gaming operator or slot machine or riverboat gaming licensee to obtain a non-gaming supplier permit issued by the Louisiana State Police Gaming Enforcement Division.

Proposed law removes the \$200,000 threshold and requires that all non-gaming suppliers of goods and services must obtain a permit as provided by the rules regardless of the amount of goods and services furnished.

Proposed law provides the Gaming Control Board shall promulgate rules to specify threshold amounts for goods and services for which a non-gaming supplier permit is required.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	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	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Present law requires non-gaming suppliers who furnish goods or services in excess of \$200,000 per year to a gaming operator or slot machine or riverboat gaming licensee to obtain a non-gaming supplier permit issued by the Louisiana State Police (LSP) Gaming Enforcement Division.

Present law requires a \$250 annual fee be submitted at the time of application and on the anniversary date of the issuance of the permit thereafter.

The Department of Public Safety (DPS) reports that there are currently 342 businesses that have obtained or have submitted application for a non-gaming supplier permit, generating \$85,500 (342 * \$250) of annual revenue that is deposited into the Statutorily Dedicated Riverboat Gaming Enforcement Fund. Of these 342 businesses, 179 did not meet the \$200,000 threshold that would require a permit during 2017. Based on this data, the majority of businesses that maintain a non-gaming supplier permit do so without furnishing goods and services in excess of the \$200,000 threshold. DPS does not anticipate a material change in applications, but any additional supplier permits issued above the base level would generate an additional \$250 each to be deposited into the Riverboat Gaming Enforcement Fund.

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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