LEGISLATIVE FISCAL OFFICE **Fiscal Note**



HB Fiscal Note On:

Analyst: Greg Albrecht

319 HLS 21RS 632

Bill Text Version: ORIGINAL

Opp. Chamb. Action: Proposed Amd .:

Sub. Bill For .:

Date: May 6, 2021

10:52 AM

Author: COX

Dept./Agy.:

Subject: Local Election For Video Poker Wagering Natchitoches Parish

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GAMBLING/VIDEO POKER OR SEE FISC NOTE LF EX

Authorizes the governing authority of Natchitoches Parish to conduct an election to allow video draw poker devices within the parish. The governing authority of the parish shall pay the cost of the election.

Provides for a local option gaming election on the operation of video draw poker devices in Natchitoches Parish

EXPENDITURES	2021-22	<u>2022-23</u>	<u>2023-24</u>	2024-25	2025-26	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	SEE BELOW	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total		\$0	\$0	\$0	\$0	\$0
REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Lulius						

EXPENDITURE EXPLANATION

The bill authorizes a parish-wide local election. According to the Secretary of State's Office, local costs could be approximately \$259,000, if held solely as a local election. If the election were included in the Congressional elections in 2022, the costs would be substantially lower, according to the Secretary of State's Office.

If an election is held and devices are approved by the electorate, devices would have to be connected to the State Police system that manages all other video poker devices in the state. State Police costs are not expected to be material.

REVENUE EXPLANATION

Video poker gaming was last authorized in Natchitoches Parish in FY99. This bill contemplates such gaming in the parish and, assuming an election is held and approval is received by a majority of the electors, devices could likely be operational sometime during FY22. The amount of activity that could occur within the parish is speculative. Based on activity occurring within the parish, 25% of net gaming tax receipts attributable to that activity would be distributed back to the local entities (parish government, sheriff, and municipal governments). While a video poker option in the parish ultimately reallocates consumer spending from all other options, much of this activity is likely to be net new video poker activity since only two (De Soto & Red River) of the 8 contiguous parishes currently allow video poker devices. From that perspective, both local government and state government (state general fund and dedicated funds) are likely to receive additional gaming tax revenue.

<u>Senate</u> 13.5.1 >=	<u>Dual Referral Rules</u> \$100,000 Annual Fiscal Cost {S & H}	House $6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}$	Mitted A. Kealon
	\$500,000 Annual Tax or Fee	6.8(G) >= \$500,000 Tax or Fee Increase	Christopher A. Keaton Legislative Fiscal Officer