

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 142** SLS 21RS 208

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 3, 2021	2:29 PM	Author: WARD
Dept./Agy.: Public Safety		Analyst: Greg Albrecht
Subject: Disposition of Sports Wagering Revenue		

GAMING RE INCREASE SD RV See Note Page 1 of 1
To provide for the disposition of funds generated by sports wagering. (gov sig)

Establishes the disposition of sports wagering tax receipts, collected by the gaming division of State Police, after collections are forwarded to the state treasury and credited first into the Bond Security and Redemption Fund. One percent of the collections are to be credited to the Behavioral Health and Wellness Fund, newly created by this bill, to support compulsive gambling addiction treatment. Twenty percent of the collections, up to \$10 million, are to be credited to the existing Louisiana Early Childhood Education Fund. Ten percent of the collections are to be remitted to each parish governing authority in proportion to the taxable conduct in each parish. One percent of the collections are to be credited to the Sports Wagering Purse Supplemental Fund, newly created by this bill, to supplement racing purses (2/3 for thoroughbred races and 1/3 for quarter horse races). Any remaining collections shall be available as state general funds. Effective upon governor's signature.

EXPENDITURES	2021-22	2022-23	2023-24	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	<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	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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

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

REVENUE EXPLANATION

After posting tax collections attributable to sports wagering to the Bond Security and Redemption Fund, the bill directs the receipts to the statutory dedications of the Behavioral Health and Wellness Fund (1%), the Louisiana Early Childhood Education Fund (20% up to \$10 million), the Sports Wagering Purse Supplemental Fund (1%), and the state general fund. The taxation of sports wagering is specified in HB 697 Enrolled of this session. Estimates of the magnitude and timing of sports wager tax receipts is speculative, but some discussion of the potential receipts is contained in the fiscal note for HB 697. Annual tax receipts could amount to several million dollars, and gaming activity and collections could begin sometime in FY22.

This bill does not allocate the various fees associated with sports wagering, nor does it allocate fee and tax collections associated with the Lottery Corporation's. Those receipts are addressed within HB 697 Enrolled.

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}

Christopher A. Keaton
Legislative Fiscal Officer