

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 449** SLS 22RS 481

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|---|---------|--------------------------------|
| Date: May 18, 2022 | 6:18 PM | Author: LUNEAU |
| Dept./Agy.: Secretary of State/State Police | | Analyst: Kimberly Fruge |
| Subject: Local Election for Video Poker Wagering Natchitoches Parish | | |

GAMING EN INCREASE LF EX See Note Page 1 of 1
 Authorizes the Natchitoches Parish Council to call a referendum election to allow video draw poker gaming in Natchitoches Parish. (gov sig)

Proposed law 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.

| EXPENDITURES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 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 | INCREASE | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | \$0 |
| Annual Total | | \$0 | \$0 | \$0 | \$0 | \$0 |

| REVENUES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 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 | |
| Annual Total | | | | | | |

EXPENDITURE EXPLANATION

Proposed law authorizes a parish-wide local election. According to the Secretary of State's Office, local costs could be approximately \$64,000 (approximately \$1,280 per precinct x 50 precincts), if held solely as a local election. If the election were included in the Congressional election in December 2022, the costs would decrease to approximately \$16,000, according to the 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 FY 99. Proposed law 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 FY 23. 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 government). 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 eight (8) contiguous parishes currently allow video poker devices. From the perspective, both local government and state government (state general fund and dedicated funds) are likely to receive additional gaming tax revenue.

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}

Evan Brasseaux
Evan Brasseaux
Interim Deputy Fiscal Officer