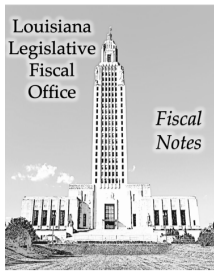


LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 176** SLS 24RS 395

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 10, 2024 12:13 PM	Author: WHEAT
Dept./Agy.: Lottery Corporation	Analyst: Noah O'Dell
Subject: Games for Veterans, Seniors, and Special Needs Persons	

LOTTERIES OR SEE FISC NOTE Page 1 of 1
Constitutional amendment to provide relative to certain lotteries and certain disbursement of proceeds. (2/3 - CA13s1)

Current Constitution requires the net proceeds from the operation of the lottery be deposited into the Lottery Proceeds Fund, to be appropriated only for the purposes of the minimum foundation program (MFP: state support for K-12 education) and no more than \$500,000 for compulsive and problem gaming services.

Proposed amendment requires the Lottery Corporation to provide for three separate lottery games with the net proceeds to be appropriated to programs for the benefit of veterans, senior citizens, and special needs persons, as defined and provided by law.

To be submitted to the electors at the statewide election to be held on November 5, 2024.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0					\$0

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0					\$0

EXPENDITURE EXPLANATION

Lottery proceeds are currently dedicated to the Compulsive and Problem Gaming Fund, in a fixed \$500,000 per year amount by statute (R.S.47:9029(B)), with the balance available for annual appropriation by the Legislature to the Minimum Foundation Program (MFP). The three separate games required by the bill effectively redirect a portion of lottery proceeds away from the MFP and to the three new purposes of the bill. Since the MFP is a constitutional funding mandate, this redirection will result in a matching increase in state general fund expenditures to finance the MFP.

The potential dollar amount of diversion, and consequent additional general fund obligation to the MFP, is discussed in the fiscal note on SB 348 (the statutory companion to this constitutional amendment bill), currently estimated to be \$12.4 M per year. The actual amount of diversion, and consequent additional general fund obligation to the MFP, will depend on the actual sales experience of the games offered by the Lottery Corporation.

REVENUE EXPLANATION

The current official state revenue forecast (as of 12/14/23) anticipates \$611.3 M of total lottery sales during calendar year 2025 and each calendar year thereafter (generating \$191 M per year of funding in FY 26-28 budgets for MFP and compulsive gaming services).

This bill contemplates a new additional dedication of lottery net proceeds that would redirect a portion of net proceeds away from the Lottery Proceeds Fund (supporting the MFP), and to the support of programs for veterans, senior citizens, and special needs persons. The estimated lottery proceeds towards these three specialty groups is discussed in detail in the fiscal note on SB 348 (the statutory companion to this constitutional amendment bill), currently estimated to be \$8.5 M per year. The actual amount of proceeds will depend upon the actual sales experience of the additional new games required by the bill.

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}

Deborah Vivien
Chief Economist