

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 726** HLS 24RS 1006

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 14, 2024 7:59 PM	Author: ADAMS
Dept./Agy.: Secretary of State/State Police	Analyst: Kimberly Fruge
Subject: Local Election for Video Poker Wagering - East Feliciana	

GAMBLING/VIDEO POKER OR INCREASE LF RV See Note Page 1 of 1
Provides for a local option gaming election on the operation of video draw poker devices in East Feliciana Parish

Proposed law authorizes the governing authority of East Feliciana 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	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	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	\$0	\$0	\$0	\$0	\$0
Annual Total		\$0	\$0	\$0	\$0	\$0

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	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 will result in an increase in local fund expenditures to hold a local election or add the video draw poker initiative to a scheduled election. According to the Secretary of State's office, local costs could be approximately \$38,000, if held solely as a local election. If the initiative is included on the ballot for an already scheduled statewide election, the costs would decrease significantly, but the actual cost is indeterminable at this time.

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 East Feliciana Parish in 1999. Proposed law contemplates such gaming in the parish, and assuming an election is held and approved by a majority of voters, devices could be operational sometime during FY 25. The amount of video poker activity that could occur within the parish is speculative.

The state receives franchise fees for video poker devices, derived from a percentage of the net device revenue based on the type of Video Poker License. The Louisiana Gaming Control Board projects a revenue increase ranging from \$630,000 to \$2.1 M annually based on historical franchise fees collected in Allen Parish and comparison of fees collected from similar sized parishes. For informational purposes, the average franchise fee collected between 1995 and 1999 was approximately \$643,200.

Based on the amount of activity occurring within the parish, approximately 25% of the franchise fee revenue is distributed back to the local entities (district attorneys, parish government, sheriff, and municipal governments) and approximately 75% is disbursed amongst the Video Draw Poker Device Purse Supplement Fund, the Compulsive and Problem Gaming Fund, the Video Draw Poker Device Fund, and the State General 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}


Patrice Thomas
Deputy Fiscal Officer