



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 540** HLS 25RS 814

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 24, 2025	6:28 PM	Author: FONTENOT
Dept./Agy.: Gaming Control Board		
Subject: Provides relative to the number and location of video poker devices.		Analyst: John McKay

GAMBLING/VIDEO POKER
Provides relative to video poker

EG INCREASE SD RV See Note

Page 1 of 1

Proposed measure increases the number of video draw poker devices permitted from 3 to 4 at certain establishments licensed to sell alcohol for consumption on the premises of that establishment. Proposed legislation increases the maximum number of video draw poker devices from 50 to 60 at qualified truck stop facilities. Proposed measure increases the number of video draw poker devices permitted at hotels and motels from three to four for individual lounges and from 12 to 13 for the hotel or motel. Proposed legislation provides that off-track wagering facilities shall not be granted a license to operate video draw poker devices within one mile of any property on the National Register of Historic Places, any public playground, any residential property, or a building used primarily as a church, synagogue, public library, or school. Proposed legislation provides for the designation of residential districts for the purposes of proposed measure. Proposed measure provides relative to franchise fee rates and appropriation for revenue generated by video draw poker devices.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$964	\$0	\$0	\$0	\$0	\$964
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	\$964	\$0	\$0	\$0	\$0	\$964

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

Proposed measure will create a one-time SGF expenditure of \$964, in FY 26, to the Department of Public Safety (DPS) for implementing changes to the LIGHTS application used to manage various aspects of video gaming operations, specifically video draw poker device licensing and regulation. Currently, LIGHTS only allows users to update the maximum number of machines on a license for truck stop facilities. If enacted, proposed measure would require DPS to update LIGHTS to either (1) enable all license types to update the maximum number of allowed machines, or (2) modify the default hard-coded values for non-truck stop licenses to reflect the new limits. The Office of Technology Services (OTS) would perform this work at an estimated 10 hours of work by a Senior Application Developer (10 hours x \$95 per hour = \$950 x 1.45% Medicare tax = \$13.78; a total of \$964).

REVENUE EXPLANATION

Proposed legislation is anticipated to increase revenue by an indeterminable, yet significant, amount through franchise fees imposed on video draw poker devices, based on a percentage of net device revenue. Fees are deposited into (1) the Video Draw Poker Device Fund and (2) the Video Draw Poker Device Purse Supplement Fund. The proposed measure increases the number of video draw poker devices allowed in 1,386 establishments already licensed. The LFO anticipates an increased number of devices will result in an indeterminable increase in franchise fee revenue. In FY 24, the actual revenue collected from video draw poker was \$238 M.

Senate

Dual Referral Rules

House

- ☐ 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
- ☒ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}
- ☐ 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