

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 75** HLS 26RS 619

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 5, 2026	5:30 PM	Author: JACKSON
Dept./Agy.: Gaming Control Board		Analyst: Mimi Blanchard
Subject: Promotional Play Deductions		

GAMING OR -\$2,971,247 GF RV See Note Page 1 of 2
Provides for the allowable amount of promotional play offered by certain gaming operators and for deductions regarding promotional play

Current law provides for a deduction of up to \$5 M in promotional play wagers from gaming proceeds and gross revenue for riverboats, racetrack slots and the land-based casino. The deduction must be directly attributable to promotional play.

Proposed law allows for the greater of \$5 M or a phased in percentage of taxable revenue as a promotional play deduction. The allowable percentages are: 4% in 2027, 7% in 2028, and 10% in 2029 and thereafter. It is not clear if the new promotional play deduction must be directly attributable to promotional play wagers.

Effective August 1, 2026.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	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	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	(\$2,971,247)	(\$10,098,215)	(\$17,452,586)	(\$17,452,586)	(\$17,452,586)	(\$65,427,220)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	(\$1,581,114)	(\$5,447,055)	(\$9,676,491)	(\$9,676,491)	(\$9,676,491)	(\$36,057,642)
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$4,552,361)	(\$15,545,270)	(\$27,129,077)	(\$27,129,077)	(\$27,129,077)	(\$101,484,862)

EXPENDITURE EXPLANATION

Proposed law will decrease revenues to the Riverboat Gaming Enforcement Fund by \$640,536 in FY 27, \$2.2 M in FY 28, and \$3.9 M annually in FY 29 and beyond, and will decrease revenues to the Support Education in Louisiana First (SELF) Fund by \$938,179 in FY 27, \$3.2 M in FY 28, and \$5.7 M annually in FY 29 and beyond (see summary in Revenue Explanation on Page 2). To the extent that the legislature may desire to maintain certain activities at the existing base level, an appropriation from an alternate MOF would be required, assumed in this fiscal note to be SGF.

The Riverboat Gaming Enforcement Fund provides for the expenses of the Department of Public Safety (DPS) to regulate, investigate, and enforce gaming laws. The FY 27 executive budget proposes appropriations of approximately \$59.8 M out of the Riverboat Gaming Enforcement Fund across the budgets of the Department of Justice and DPS.

The SELF Fund provides for salary increases for certain public pre-k through 12th grade certified personnel and post-secondary education facility salary increases. The FY 27 executive budget proposes appropriations of approximately \$104.8 M out of the SELF Fund to the Minimum Foundation Program.

REVENUE EXPLANATION

Based on FY 25 actual riverboat casino and racetrack slot machine collections of \$440.7 M and weighted average gaming fees of 21.5%, DPS estimates that the deduction of promotional play wagers subject to the caps in proposed law would reduce state gaming revenue by approximately \$4.4 M in FY 27, \$15.1 M in FY 28, and \$26.4 M from FY 29 to FY 31. Of these, approximately 97% is due to changes in riverboat promotional play deductions, and 3% due to racetrack slots. These estimates reflect the value of promotional wagers deducted from gross revenue for state tax and fee purposes, which is projected at \$19.6 M in FY 27, \$67.6 M in FY 28, and \$120.1 M in FY 29 to FY 31. The bill provides for no carryforward of promotional play deduction so the note assumes all deductions are taken when available.

Scaling this aggregate approach to the official state revenue forecasts of gaming receipts (adopted 12/11/25), the loss of state gaming receipts attributable to the bill is estimated at \$101.5 M from FY 27 to FY 31, with approximately 64% of this loss associated with the SGF (\$65.4 M), and approximately 36% associated with various statutory dedications (\$36.1 M = SELF Fund - \$21.4 M, Riverboat Gaming Enforcement Fund - \$14.6 M, Compulsive and Problem Gaming Fund - \$29,494). A portion of the SGF decrease attributable to racetrack slot machines will ultimately be distributed to individual track-related statutory dedications not itemized in this note. Revenue losses here are attributable to promotional play deducted by

REVENUE EXPLANATION CONTINUED ON PAGE TWO

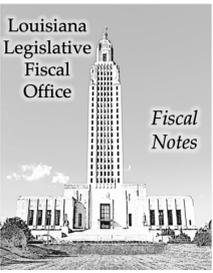
Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

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}

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CONTINUED EXPLANATION from page one:

REVENUE EXPLANATION CONTINUED FROM PAGE ONE

riverboat casinos and racetrack slot machines, since the land-based casino has a minimum payment obligation under which any increase in promotional pay deductions would occur. The current official forecast is fixed at the minimum payment throughout the forecast horizon. However, any remittances above the minimum payment obligation would flow to the Early Childhood Education Fund, and this bill would make that threshold more difficult to attain.

It is possible that increasing the cap on promotional play deductions from the tax base would encourage more use of it by the industry, and attract more taxable play. The fiscal note makes no assumption about increased play due to promotional wagers.

*Note: Proposed law increases the cap on a calendar year basis, while promotional play credits are based on fiscal year calculations.

	FY 27	FY 28	FY 29	FY 30	FY 31	TOTAL DECREASE
Riverboat Casinos						
SGF	(\$2,745,151)	(\$ 9,459,853)	(\$16,814,224)	(\$16,814,224)	(\$16,814,224)	(\$ 62,647,676)
Riverboat Gaming Enforcement	(\$ 640,536)	(\$ 2,207,298)	(\$ 3,923,318)	(\$ 3,923,318)	(\$ 3,923,318)	(\$ 14,617,789)
SELF Fund	(\$ 938,179)	(\$ 3,232,983)	(\$ 5,746,399)	(\$ 5,746,399)	(\$ 5,746,399)	(\$ 21,410,359)
Racetrack Slots						
SGF	(\$ 226,096)	(\$ 638,362)	(\$ 638,362)	(\$ 638,362)	(\$ 638,362)	(\$ 2,779,545)
Compulsive Gambling	(\$ 2,399)	(\$ 6,774)	(\$ 6,774)	(\$ 6,774)	(\$ 6,774)	(\$ 29,494)
Total	(\$4,552,361)	(\$15,545,269)	(\$27,129,077)	(\$27,129,077)	(\$27,129,077)	(\$101,484,863)

Senate Dual Referral Rules
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