

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 175** HLS 26RS 35

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 5, 2026	5:42 PM	Author: HEBERT
Dept./Agy.: Lottery		Analyst: Mimi Blanchard
Subject: Lottery Game for Veterans		

LOTTERY OR +\$4,000,000 SG EX See Note Page 1 of 1
Provides for a new lottery game to benefit veterans of armed services

Proposed law provides for a new instant lottery game to benefit veterans in Louisiana, conducted and marketed by the Louisiana Lottery Corporation (LLC), with proceeds deposited into a newly created Veterans Game Fund. Proposed law establishes the Veterans Game Board (VGB), responsible for the disbursement of fund proceeds through one-time grants of up to \$50,000 to organizations and programs supporting veterans and their families, and establishes eligibility criteria. Proposed law requires that the VGB meet annually to review applications, distribute funds, and submit a report to the LLC Board of Directors detailing grant awards and actions taken. Administrative expenses of the board, excluding lottery employee salaries, shall be paid from the fund.

Effective August 1, 2026.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$20,000,000
Agy. Self-Gen.	SEE BELOW					
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						
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	(\$1,216,827)	(\$1,216,827)	(\$1,216,827)	(\$1,216,827)	(\$1,216,827)	(\$6,084,135)
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$1,216,827)	(\$1,216,827)	(\$1,216,827)	(\$1,216,827)	(\$1,216,827)	(\$6,084,135)

EXPENDITURE EXPLANATION

Monies in the Lottery Proceeds Fund are currently dedicated to the Compulsive and Problem Gaming Fund, in a fixed amount of \$500,000 per year, with the balance dedicated to the Minimum Foundation Program (MFP). Because the MFP is a constitutional funding mandate, the reduction to the Lottery Proceeds Fund of \$4 M (see Revenue Explanation below) will result in a matching increase in SGF expenditures to finance the MFP.

Treasury requires certain resources to create and administer a statutory dedication, as in this bill. Should aggregate session action result in the creation of funds beyond that which can be absorbed within existing resources, additional funding may be required, which is assumed to be SGR in this fiscal note.

Louisiana Lottery Corporation (LLC) would incur costs to develop, implement, market, administer, and regulate the new instant lottery game. These expenses are paid from lottery operating revenues prior to the transfer of net proceeds to the state, therefore represented as "other funds" in the table above.

The creation of the Veterans Game Board will increase expenditures from the Veterans Game Fund by an indeterminable amount. While VGB members shall serve without compensation, administrative costs, except salaries or wages of LLC employees shall be paid from the fund, which will reduce the amount available for disbursement for veteran programs.

REVENUE EXPLANATION

Proposed law would increase revenues to the newly created Veterans Game Fund by approximately \$2.8 M and decrease revenues to the Lottery Proceeds Fund and subsequently to the MFP by approximately \$4 M annually from FY 27 to FY 31.

The Louisiana Lottery Corporation (LLC) reports that the new instant lottery game for veterans would primarily shift play from existing instant games rather than generate new lottery activity. LLC estimates revenues using a \$2 ticket price, with 8.16 M tickets printed annually (4.08 M printed twice per year), generating approximately \$14.7 M in ticket sales, with net gaming revenues of approximately \$13.2 M. The veterans game would result in a lower return to the state per dollar wagered, with an average prize payout of 67.5% versus a blended rate of about 58% for other lottery games, because it must be accounted for separately and cannot be balanced across multiple games and price points. Therefore, although the veterans game would generate approximately \$2.8 M annually for the Veterans Game Fund, revenues from other games dedicated to the Lottery Proceeds Fund and subsequently to the MFP would decline by an estimated \$4 M annually.

*Note: La. Constitution art. XII, §6 requires that all net proceeds from the operation of the lottery be deposited into the Lottery Proceeds Fund. Proposed law directs that the proceeds associated with the veteran game be deposited into the Veterans Game Fund.

Senate
 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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