

Regular Session, 2014

HOUSE CONCURRENT RESOLUTION NO. 116

BY REPRESENTATIVE FANNIN

AUDITS/AUDITING: Urges and requests the Legislative Auditor's Office to conduct a performance audit of the Louisiana Lottery Corporation

1 A CONCURRENT RESOLUTION

2 To urge and request the legislative auditor to conduct a performance audit of the Louisiana
3 Lottery Corporation to determine if operations and expenditures are efficient and
4 effective and maximize the amount of lottery proceeds dedicated to education.

5 WHEREAS, R.S. 47:9001 provides that the Louisiana Lottery Corporation (the
6 "corporation") shall be accountable to the governor, the legislature, and the people of the
7 state through a system of audits, reports, legislative oversight, and thorough financial
8 disclosure; and

9 WHEREAS, the Legislature has a vested interest in the efficient operations of the
10 corporation to maximize the amount of monies going to education; and

11 WHEREAS, R.S. 47:9029(A)(3) mandates that within twenty days following the
12 close of each calendar month, the corporation shall transfer to the Lottery Proceeds Fund in
13 the state treasury, the amount of net revenues which the corporation determines are surplus
14 to its needs; and

15 WHEREAS, R.S. 47:9029(A)(3) provides that net revenues shall be determined by
16 deducting from gross revenues, the payment costs incurred in the operation and
17 administration of the lottery, which shall include expenses of the corporation and the costs
18 resulting from any contract entered into for promotional, advertising, or operational services
19 or for the purchase or lease of lottery equipment and materials, fixed capital outlays, and the
20 payment of prizes to the holders of winning tickets; and

1 WHEREAS, R.S. 47:9029(A)(3) mandates the corporation to transfer each year not
2 less than thirty-five percent of gross revenues to the state treasury, to be available for
3 appropriation; and

4 WHEREAS, additionally, the amount of gross revenues less costs determined to be
5 surplus to the needs of the corporation must be remitted to the state treasury; and

6 WHEREAS, Article XII, Section 6, of the Louisiana Constitution of 1974, mandates
7 the legislature to annually appropriate from the Lottery Proceeds Fund only for the purposes
8 of the minimum foundation program and no more than five hundred thousand dollars for
9 services related to compulsive and problem gaming; and

10 WHEREAS, the legislative auditor has routinely conducted an annual financial audit
11 of the corporation; however, the legislative auditor has not conducted a performance audit
12 to determine the efficiency and effectiveness of the functions and activities of the
13 corporation.

14 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
15 urge and request the legislative auditor to conduct a performance audit of the Louisiana
16 Lottery Corporation to determine if operations and expenditures are efficient and effective
17 and maximize the amount of lottery proceeds dedicated to education.

18 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
19 legislative auditor and the president of the Louisiana Lottery Corporation.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Fannin

HCR No. 116

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