



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: HB 585 HLS 17RS 655
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 12, 2017 4:04 PM
Dept./Agy.: Office of Student Financial Assistance
Subject: Dedicates gaming revenues to TOPS
Author: MORRIS, J.
Analyst: Willis Brewer

GAMING OR +\$36,000,000 SD RV See Note Page 1 of 1
Provides for the dedication of gaming revenues to Taylor Opportunity Program for Students (TOPS) awards.

Present law dedicates 18% of slot machine revenues at horse racing tracks to support of the horse breeding and racing industry.
Proposed law redirects half of these allocations to the Taylor Opportunity Program for Students (TOPS) awards.

Present law dedicates 20% of video poker device revenue at horse racing facilities to supplement horse racing purses.
Proposed law redirects 10% of these allocations to the Taylor Opportunity Program for Students (TOPS) awards.

Table with 7 columns: EXPENDITURES/REVENUES, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total for both expenditures and revenues.

EXPENDITURE EXPLANATION

The proposed law will dedicate additional state general fund revenues to the Taylor Opportunity Program for Students (TOPS). The TOPS program has been underfunded since FY 16 and any additional revenue will first be used to fully fund the TOPS award need.

REVENUE EXPLANATION

The bill redirects funds that are currently not part of the state budget to the Taylor Opportunity Program for Students (TOPS), which is part of the state budget. Since the bill does not specify that these monies be deposited to the TOPS Fund, it is assumed that they are to be deposited first into the state general fund and then appropriated for TOPS awards.

In FY 16, the total adjusted gross revenue from slots was approximately \$353 M, of which approximately \$63.6 M of this was allocated for racing purses and breeders. This legislation will require 50% of the \$63.6 M, or \$31.8, to be used for the TOPS program. In FY 16, the total video poker device revenues was approximately \$42.3 M, of which \$8.4 M (or 20%) of this was allocated for racing purses.

This legislation will reduce the funding to the horseman purses and horse breeders. The impact to the racing industry including racetrack slots cannot be quantified at this time. To the extent this reduction in funding negatively impacts racetrack activities, there will be an indeterminable reduction in state receipts supporting State Police, the Louisiana Racing Commission, the state general fund, and the TOPS dedications of this bill.

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}

Signature of Gregory V. Albrecht
Gregory V. Albrecht
Chief Economist