



**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**

Fiscal Note On: **HB 175** HLS 26RS 35  
 Bill Text Version: **RE-REENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

|   |         |                                |
|---|---------|--------------------------------|
| <b>Date:</b> May 5, 2026                  | 6:16 PM | <b>Author:</b> HEBERT          |
| <b>Dept./Agy.:</b> Lottery                |         | <b>Analyst:</b> Mimi Blanchard |
| <b>Subject:</b> Lottery Game for Veterans |         |                                |

LOTTERY RR +\$500,000 SG EX See Note Page 1 of 1  
 Provides for a new lottery game to benefit veterans of armed services

Proposed law creates the Veterans Service Grant Fund (VSGF) and dedicates \$500,000 annually from lottery proceeds to the fund. Proposed law establishes the Veterans Service Grant Board (VSGB), responsible for the disbursement of monies in the VSGF 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 VSGB meet annually to review applications and distribute funds. Proposed law requires any remaining monies in the fund at the end of each year to be dedicated to the Minimum Foundation Program (MFP).

Effective upon passage of HB 165 of the 2026 RS and voter approval of HB 165 at the statewide election held November 3, 2026.

| EXPENDITURES        | 2026-27   | 2027-28   | 2028-29   | 2029-30   | 2030-31   | 5 -YEAR TOTAL |
|---------------------|-----------|-----------|-----------|-----------|-----------|---------------|
| State Gen. Fd.      | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$2,500,000   |
| Agy. Self-Gen.      | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW |               |
| Ded./Other          | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$2,500,000   |
| Federal Funds       | \$0       | \$0       | \$0       | \$0       | \$0       | \$0           |
| Local Funds         | \$0       | \$0       | \$0       | \$0       | \$0       | \$0           |
| <b>Annual Total</b> |           |           |           |           |           |               |
| 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          | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW |               |
| Federal Funds       | \$0       | \$0       | \$0       | \$0       | \$0       | \$0           |
| Local Funds         | \$0       | \$0       | \$0       | \$0       | \$0       | \$0           |
| <b>Annual Total</b> |           |           |           |           |           |               |

**EXPENDITURE EXPLANATION**

Proposed law creates the Veterans Service Grant Fund (VSGF) and provides that monies in the fund shall be appropriated for grants awarded by the Veterans Service Grant Board in accordance with the provisions contained within the proposed La R.S. 47:9031. Proposed law directs the treasurer to transfer \$500,000 from the Lottery Proceeds Fund into the newly created VSGF. Proposed law will result in an indeterminable increase in expenditures, up to \$500,000 annually, from the VSGF for grants approved and disbursed by the Veterans Service Grant Board (VSGB). This fiscal note assumes all money deposited to the fund is expended in the form of grants. To the extent that the amount of grants does not reach the total amount deposited to the fund each year, any remaining balance shall be deposited into the Lottery Proceeds Fund at the end of the fiscal year.

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, any reduction to the Lottery Proceeds Fund (see Revenue Explanation below) will result in a matching increase in SGF expenditures to finance the MFP. This fiscal note assumes no money will remain in the fund at the end of the fiscal year for transfer back to the Lottery Proceeds Fund and the MFP.

Proposed law creates the VSGB, provides for duties, meeting requirements and membership. The LFO assumes the members of the board shall serve without compensation or reimbursement, although proposed law does not specify. The Board is directed to consider grants of up to \$50,000 each to applicants who seek to improve the needs of veterans and their families.

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.

**REVENUE EXPLANATION**

Proposed law will transfer \$500,000 into the newly created Veterans Services Grant Fund out of the Lottery Proceeds Fund. Because both Funds are Statutory Dedications, the net revenue impact shown in the table above is \$0. \*Note: La. Constitution Art. XII, §6 requires that all net proceeds from the operation of the lottery be deposited into the Lottery Proceeds Fund. There is currently no constitutional mechanism to transfer monies to the Veterans Service Grant Fund or for any other purpose.

|  |                            |  |
|--|----------------------------|--|
| <u>Senate</u>  | <u>Dual Referral Rules</u> | <u>House</u>   |
| <input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} |                            | <input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}         |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}      |                            | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

  
**Alan M. Boxberger**  
**Legislative Fiscal Officer**