



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HCR 39** HLS 20RS 1336

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 6, 2020	12:39 PM	Author: BISHOP, S.
Dept./Agy.: Public Safety		
Subject: Video Draw Poker Device Fees Partially Suspended		Analyst: Greg Albrecht

GAMBLING/VIDEO POKER

OR -\$2,454,000 SD RV See Note

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Temporarily suspends the payment of video draw poker device operation fees due to the closure of licensed establishments as a result of COVID-19

Suspends the provisions of R.S. 27:435(A)(5), which provide for annual video draw poker device operation fees, paid quarterly. The annual fees are \$250 for a restaurant, bar, tavern, cocktail lounge, club, motel, or hotel; \$1,250 for a licensed pari-mutuel racing facility, and \$1,000 for licensed off-track wagering facilities and qualified truck stop facilities.

The suspension is effective upon adoption of this resolution and shall extend through September 30, 2020.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	(\$1,840,500)	\$0	\$0	\$0	\$0	(\$1,840,500)
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	(\$613,500)	\$0	\$0	\$0	\$0	(\$613,500)
Annual Total	(\$2,454,000)	\$0	\$0	\$0	\$0	(\$2,454,000)

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

State Police reports that the affected device operation fees generate approximately \$2.454 million per quarter, from some 12,885 devices. Since this resolution would be adopted after April 24 (the date for the final 25% of payment of the FY20 annual fee amount), it would suspend the payment paid in July (the first 25% payment of the FY21 annual fee amount) and reduce fee collections by an estimated \$2.454 million.

Although video draw poker receipts flow through the state Video Draw Poker Device Fund, all video draw poker receipts are ultimately split between the state (75%: \$1,840,500) and the local governments (25%: \$613,500) where the devices are located. The effect on the allocation between the state’s statutory dedication revenue, and the ultimate allocation to local entities is reflected in the table above.

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}

John D. Carpenter
Legislative Fiscal Officer