

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



Fiscal Note On: **SB 157** SLS 23RS 243

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

|  |         |                                |
|--|---------|--------------------------------|
| <b>Date:</b> April 19, 2023  | 3:57 PM | <b>Author:</b> FOIL            |
| <b>Dept./Agy.:</b> Lottery Corporation                                   |         | <b>Analyst:</b> Deborah Vivien |
| <b>Subject:</b> Allows for lottery ticket purchases through the internet |         |                                |

LOTTERIES EG INCREASE SD RV See Note Page 1 of 1  
Provides for the purchase of certain lottery tickets through the internet.(2/3-CA12s6(A)(2)) (8/1/23)

Current law considers some types of gambling and gambling by computer as illegal.

Proposed law exempts lottery ticket purchases from the definition of gambling and gambling by computer and allows the Louisiana Lottery Corporation Board to adopt rules to effectuate lottery ticket sales through the internet. Internet lottery sales are limited to games that are currently offered through ticket-generating terminals at licensed lottery retailers, which would allow draw style games and prohibit E-instant games, such as scratch-off type games. Age verification to prohibit internet lottery sales to those under 21 is also mandated.

| <b>EXPENDITURES</b> | <b>2023-24</b> | <b>2024-25</b> | <b>2025-26</b> | <b>2026-27</b> | <b>2027-28</b> | <b>5 -YEAR TOTAL</b> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Agy. Self-Gen.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Ded./Other          | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Federal Funds       | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Local Funds         | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <b><u>\$0</u></b>    |
| <b>Annual Total</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>           |

  

| <b>REVENUES</b>     | <b>2023-24</b> | <b>2024-25</b> | <b>2025-26</b> | <b>2026-27</b> | <b>2027-28</b> | <b>5 -YEAR TOTAL</b> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Agy. Self-Gen.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Ded./Other          | INCREASE       | INCREASE       | INCREASE       | INCREASE       | INCREASE       |                      |
| Federal Funds       | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Local Funds         | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <b><u>\$0</u></b>    |
| <b>Annual Total</b> |                |                |                |                |                |                      |

**EXPENDITURE EXPLANATION**

The Lottery Corporation withholds the amount necessary to fund its agency from lottery proceeds and transfers the remainder to the state (minimum of 25%). Any resources required to offer lottery ticket sales through the internet will be accommodated within the operational expenses of the Lottery Corp and not deducted from transfers to the state.

**REVENUE EXPLANATION**

The LA Lottery Corporation predicates its model on the experience of other states with internet lottery sales. The closest comparison is Georgia based on expected prize structures for draw games, such as Powerball and Mega Millions, on the Lottery Corporation internet portal. Expected new state transfers from the Lottery Corporation once the internet offerings are fully functional is expected to be \$6 M from draw games. Lottery Corporation expects to have draw games ready for the second half of FY 24.

Typically, the revenue forecast does not incorporate gaming winnings until the mechanisms to receive those winnings are operational. It is expected that once funds begin to flow to the state, they will be incorporated into the forecast of available funds. Like other lottery transfers, these funds will be dedicated to education through the Lottery Proceeds Fund (less \$500,000 to Compulsive Gaming Fund), which feeds into the Minimum Foundation Program.

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}

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