## LEGISLATIVE FISCAL OFFICE **Fiscal Note**



Fiscal Note On: SB **181** SLS 25RS

Bill Text Version: ENGROSSED

Opp. Chamb. Action: Proposed Amd .:

Sub. Bill For .:

Date: April 22, 2025 8:58 PM Dept./Agy.: Gaming Control Board / State Police

**Subject:** Provides relative to gambling by computer.

**Author: BASS** 

**Analyst:** John McKay

EG SEE FISC NOTE SG RV

Provides relative to prohibitions in gaming. (8/1/25)

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Proposed measure prohibits any game, contest, or promotion available online or through devices such as a mobile phone or computer terminal if it uses a dual-currency payment system and simulates any form of gambling. Proposed measure changes the penalty from a maximum of \$20,000 to a range of \$10,000 to \$100,000 for any individual or entity that operates, conducts, or promotes illegal gambling by computer. Proposed measure provides that in addition to the criminal penalties described in current law and proposed law, any violation is also a deceptive and unfair trade practice, subject to any actions and penalties provided for in the Unfair Trade Practices and Consumer Protection Law. Proposed legislation authorizes enforcement by bringing civil enforcement action to enjoin the unlawful conduct and civil penalties. Proposed legislation maintains current suitability standards and adds a requirement for the State Police to assess whether applicants or their affiliates have profited from gambling in certain jurisdictions within the past five years. Proposed measure requires the Gaming Control Board to require each applicant to submit a disclosure of any activity in certain jurisdictions.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	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	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW					
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						

## **EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Gaming Control Board and Gaming Enforcement Division within State Police have established procedures in place for administration actions, findings of unsuitability, denials of applications, and annual reporting requirements. Thus, proposed legislation is not anticipated to have an expenditure impact on the Department of Public Safety.

## **REVENUE EXPLANATION**

Proposed legislation may result in an indeterminable increase in SGR revenues in the Department of Public Safety (DPS) to the extent a fine is imposed for a violation. Proposed measure updates the penalty from a maximum of \$20,000 to a range of \$10,000 to \$100,000 for any individual or entity that operates, conducts, or promotes any game, contest, or promotion available online or through devices such as a mobile phone or computer terminal if it uses a dual-currency payment system and simulates any form of gambling.

To the extent a portion of the current illegal gambling market shifts to legal forms of gambling as a result of the proposed measure, gaming revenues may increase. However, any estimate of the potential increase would be speculative.

Senate <u>Dual Referral Rules</u>	<u>House</u>	
13.5.1 >= \$100,000 Annual Fiscal Cost	$\{S \& H\}$ $$ 6.8(F)(1) >= \$100,000 SGF Fiscal Cost $\{H \& S\}$	Johns Mamor
13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}	6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Patrice Thomas Deputy Fiscal Officer