

FISCAL NOTE

Requested by Legislative Council
01/19/2007

Bill/Resolution No.: SB 2334

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	(\$4,966,000)	(\$16,631,500)	(\$5,781,230)	(\$18,208,500)
Expenditures	\$0	\$0	\$0	(\$16,631,500)	\$0	(\$18,208,500)
Appropriations	\$0	\$0	\$0	(\$2,246,040)	\$0	(\$2,246,040)

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill prohibits the Lottery from promoting or advertising its games. State funds may only be used to disclose where lottery tickets may be sold.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 4 prohibits the Lottery from promoting or advertising its games. This prohibition would substantially decrease the Lottery's ticket sales. The Lottery's operating expenditures would decrease.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

State general fund revenue would be significantly impacted because sales of lottery tickets would be substantially decreased. State general fund revenue included in the executive budget is \$11.6 million, which would be reduced to \$6.634 million. In addition, Lottery operating fund revenues would be decreased by an additional (\$4.68 million).

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The Lottery's operating expenditures would be decreased because of the restriction on promotions and advertising. Two FTE positions would be removed.

Expenditures for gaming group product dues and the Lottery vendor are paid from a continuing appropriation, which is the difference between special fund expenditures and appropriations.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The Lottery's appropriation would be decreased because of the restriction on promotions and advertising. The

appropriation is included in the Executive recommendation.

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