19.0169.01000

FISCAL NOTE

Requested by Legislative Council 01/07/2019

Revised

Bill/Resolution No.: HB 1295

1 A. **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.

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0		\$0
Expenditures	\$0	\$0	\$1,176,660		\$552,684	
Appropriations	\$0	\$0	\$1,176,660		\$552,684	

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

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
Counties			
Cities			
School Districts			
Townships			

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

This bill provides for sports betting on professional sports and certain athletic events.

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.*

Sections 1 and 2 of the bill will have fiscal impacts. Although allowing sports betting on professional sports and certain athletic events will have a significant impact on revenues it's unclear at this time what the impact will be to the general fund.

- 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.

Although allowing sports betting on professional sports and certain athletic events will have a significant impact on revenues it's unclear at this time what the impact will be to the general fund.

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.

This bill will generate a significant workload. In order to regulate sports betting the Office of Attorney General will need a minimum of 2 auditors (\$381,520), operating (\$70,140), and a new gaming system (\$725,000), a total of \$1,176,660 for the 2019-21 biennium. For the 2021-23 biennium the respective costs are salaries & wages (\$408,962) and operating (\$143,722) which includes a 10% system maintenance cost.

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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

This bill will generate a significant workload. In order to regulate sports betting the Office of Attorney General will need a minimum of 2 auditors (\$381,520), operating (\$70,140), and a new gaming system (\$725,000), a total of \$1,176,660 for the 2019-21 biennium. For the 2021-23 biennium the respective costs are salaries & wages (\$408,962) and operating (\$143,722) which includes a 10% system maintenance cost.

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