

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 3, 2009

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1963 by Kuempel (Relating to eliminating the limitation on lottery advertising expenses based on the lottery prize payout percentage.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 466 of the Government Code by repealing the limitation on the Texas Lottery Commission's (commission) yearly advertising budget which is based on the percentage of lottery prize payouts.

Under current law, the advertising budget for the lottery in a state fiscal year is prohibited from exceeding an amount equal to \$40 million less \$1 million for each full percent by which the total amount of lottery prizes awarded by the commission in the preceding fiscal year exceeds an amount equal to 52 percent of the gross revenue from the sale of tickets in that preceding fiscal year. The bill would not appropriate additional funds for lottery advertising. Commission funding for lottery advertising would remain subject to the legislative appropriations process.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 362 Texas Lottery Commission

LBB Staff: JOB, KJG, JRO, TG