

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION
Revision 1

May 20, 2009

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

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

IN RE: HJR37 by Raymond (Proposing a constitutional amendment to dedicate net revenue from the state lottery to certain public school purposes.), **As Engrossed**

No significant fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$90,882.

The resolution would propose a constitutional amendment to Section 47, Article III, of the Texas Constitution to require all money received from Texas State Lottery operations, other than administration costs and prizes awarded or reserved, be dedicated to public primary and secondary schools and be expended only for the items that directly benefit classroom teaching.

State funded advertising for lottery games could not refer to lottery proceeds supporting or providing additional funds to public primary and secondary schools.

Because the proposed amendment would not mandate a change in the amount of school revenues spent for school purposes, total state money going to education would not change. Under current law, while all lottery net revenue—outside of unclaimed prize monies—is dedicated to GR Account 0193—Foundation School, school districts may use the money for operations and buildings as well as classroom teaching. As a consequence, the bill would have an impact on how the money could be spent.

For the purpose of this analysis, it is assumed that unclaimed prize money would continue to be deposited to General Revenue and Fund 5049 as under current law.

The proposed constitutional amendment would be submitted to the voters on November 3, 2009.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 362 Texas Lottery Commission, 701 Central Education Agency

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