Keisha Patent March 14, 2019 402-471-0059

## LB 252

## Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)						
	FY 2019-20		FY 2020-21			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE		
GENERAL FUNDS						
CASH FUNDS	<b>i</b>					
FEDERAL FUNDS	i					
OTHER FUNDS	;					
TOTAL FUNDS						

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 252 amends the State Lottery Act to restrict lottery advertisements. The bill requires lottery advertisements to disclose the odds of winning the price with the largest value for any lottery game in a clear and conspicuous manner in a font size no less than 35% of the largest font used in the advertisement, except in an online advertisement the font size must be at least ten point. The requirements do not apply to advertisements printed, distributed, broadcast, or otherwise disseminated or conducted prior to the effective date of the bill.

The Department of Revenue estimates no impact on revenue. The department estimates the bill will require some changes in formatting and content of future advertisements that could result in an increase in expenditures, but the amount of any increase is indeterminable. There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE					
LB: 252 AM: AGENCY/POLT. SUB: Department of Revenue					
REVIEWED BY:	Lee Will	DATE: 1/28/2019	PHONE: (402) 471-4175		
COMMENTS: Concur with the Department of Revenue's assessment of fiscal impact.					

## Fiscal Note 2019

State Agency Estimate							
State Agency Name: Department of	Revenue				Date Due LFA:	1/28/2019	
Approved by: Tony Fulton		Date Prepared:	1/16/2019		Phone: 471-5896		
	FY 2019-2020		FY 2020-2021		FY 2021-2022		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds							
Cash Funds							
Federal Funds							
Other Funds							
Total Funds							

LB 252 adds a subsection to Neb. Rev. Stat. §9-823 which would require the disclosure of the odds of winning the top prize in "all lottery advertisements" in a "clear and conspicuous manner." It further states that the disclosure shall be in a font size not less than 35% of the largest font used in the advertisement. For online advertisements, the font size must be at least 10 points.

This is not retroactive, meaning all advertisements that were distributed/broadcast prior to the effective date, would not be required to meet these standards.

It is estimated that this bill will have no impact on General Fund revenues.

While the bill is not retroactive, and thus does not hold potential costs for things that would have to be changed in existing advertising, it is likely that some changes in the formatting and content of future ads could result in increase in expenditure for implementing LB 252. However, the increase is indeterminable at this time.

Major Objects of Expenditure							
Class Code	Classification Title	19-20 <u>FTE</u>	20-21 <u>FTE</u>	21-22 <u>FTE</u>	19-20 <u>Expenditures</u>	20-21 <u>Expenditures</u>	21-22 <u>Expenditures</u>
Benefits	Benefits						
Operating Costs							
Travel							
Capital Outlay							
Capital Improvements							
Total							