

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 931 - SB 900

February 10, 2023

SUMMARY OF BILL: Decreases, from 80 percent to 78 percent, the amount of the privilege tax revenue collected from sports gaming distributed by Sports Wagering Advisory Council (SWAC) to the State Treasurer for allocation to the Lottery for Education Account. Allocates two percent of the privilege tax revenue collected from sports gaming distributed by SWAC to the State Treasurer to rural and urban at-risk youth programs.

ESTIMATED FISCAL IMPACT:

**Increase State Revenue – Exceeds \$1,360,000/FY23-24 and Subsequent Years
/At-Risk Youth Programs**

**Decrease State Revenue – Exceeds \$1,360,000/FY23-24 and Subsequent Years
/Lottery for Education Account**

Other Fiscal Impact – The \$1,360,000 increase in revenue to the State Treasurer is to be allocated to rural and urban at-risk youth programs. The timing, amount, and process for such allocations are unknown.

Assumptions:

- SWAC reported \$68,052,961 in collections in 2022.
- For the purposes of this analysis, it is assumed that SWAC collections will exceed \$68,000,000 in FY23-24 and subsequent years.
- The recurring decrease in state revenue to the Lottery for Education Account will be an amount exceeding \$1,360,000 ($\$68,000,000 \times 2\%$) in FY23-24 and subsequent years as a result of the proposed legislation.
- The corresponding recurring increase in revenue to the State Treasurer to be allocated to rural and urban at-risk youth programs will be an amount exceeding \$1,360,000 in FY23-24 and subsequent years as a result of the proposed legislation.
- Any impact on the Department of Treasury to implement the distribution of such funds to youth programs will be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive style with a large initial 'K'.

Krista Lee Carsner, Executive Director

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