

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1570

SPONSOR: Regulated Industries Committee and Senator Burt

SUBJECT: Florida Lottery

DATE: February 20, 2002      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Wiehle	Caldwell	RI	Favorable/CS
2.	_____	_____	ED	_____
3.	_____	_____	AGG	_____
4.	_____	_____	AP	_____
5.	_____	_____	RC	_____
6.	_____	_____	_____	_____

**I. Summary:**

The bill authorizes the Department of the Lottery to determine a variable percentage of revenue from instant lottery tickets that is to be returned as prizes, determining the percentage in a manner to maximize education money.

**II. Present Situation:**

Section 24.121, F.S., provides for the allocation of lottery revenues and the expenditure of funds for public education. It requires that, as nearly as practical, at least 50 percent of the gross revenue from the sale of lottery tickets be returned to the public in the form of prizes. Each fiscal year, at least 38 percent of the gross revenue from the sale of lottery tickets and other earned revenue, excluding application-processing fees, is to be deposited in the Educational Enhancement Trust Fund, which is created in the State Treasury to be administered by the Department of Education. Funds in the Educational Enhancement Trust Fund are to be used to the benefit of public education in accordance.

**III. Effect of Proposed Changes:**

The bill amends s. 24.121, F.S., to authorize the Department of the Lottery to determine a variable percentage of the gross revenue from the sale of instant lottery tickets that will be returned to players in the form of prizes, with the determination done in a manner designed to maximize the money deposited into the Educational Enhancement Trust Fund. The bill also makes the percentage of revenue required to be deposited into the trust fund from instant lottery ticket sales variable.

**IV. Constitutional Issues:**

## A. Municipality/County Mandates Restrictions:

None.

## B. Public Records/Open Meetings Issues:

None.

## C. Trust Funds Restrictions:

None.

**V. Economic Impact and Fiscal Note:**

## A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

None.

## C. Government Sector Impact:

The Revenue Estimating Conference estimates that increasing the percentage of revenue paid as prizes will increase sales of tickets, resulting in a net increase in instant lottery revenue to education of \$50 to 60 million.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.