HB 1821-FN - AS INTRODUCED

2018 SESSION

18-2403
08/03

HOUSE BILL ***1821-FN***

AN ACT repealing Keno.

SPONSORS: Rep. Scruton, Straf. 12; Rep. Grassie, Straf. 11; Sen. Fuller Clark, Dist 21

COMMITTEE: Ways and Means

ANALYSIS

This bill repeals the establishment and regulation of Keno.

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Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

18-2403
08/03

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eighteen

AN ACT repealing Keno.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Keno; Reference Removed. Amend RSA 198:39, I(k) and (l) to read as follows:

(k) [~~Funds collected and paid over to the state treasurer by the lottery commission pursuant to RSA 284:44 and RSA 284:47.~~

~~(l)~~] Any other moneys appropriated from the general fund.

2 Keno; Reference Removed. Amend RSA 6:12, I(b)(65) to read as follows:

(65) Money received under RSA 77-A, RSA 77-E, RSA 78, RSA 78-A, RSA 78-B, ***and*** RSA 83-F, [~~RSA 284:44 and RSA 284:47~~], and from the sweepstakes fund, which shall be credited to the education trust fund under RSA 198:39.

3 Keno; Reference Removed. Amend RSA 198:48-c, III(a) to read as follows:

(a) For fiscal year 2020 and each fiscal year thereafter, in addition to any funds received pursuant to RSA 198:40-a, the department of education shall distribute a total kindergarten grant, pursuant to RSA 198:40-a, for the remaining 1/2 of each average daily membership not counted under RSA 198:40-a to each school district or chartered public school that operates an approved full-day kindergarten program. [~~If the amount of revenue raised through keno is insufficient to fully fund the distribution of grants under this section, the revenue shall be prorated proportionally based on entitlement among the districts entitled to a grant. The prorated portion of this grant shall not be less than the per pupil amount disbursed under paragraph I(b).~~]

4 Repeal. RSA 284:41 through 284:51, relative to establishing and regulating Keno, is repealed.

5 Effective Date. This act shall take effect 60 days after its passage.

LBAO
18-2403
12/14/17

HB 1821-FN- FISCAL NOTE
AS INTRODUCED

AN ACT repealing Keno.

FISCAL IMPACT: [X] State [ ] County [X] Local [ ] None

	Estimated Increase / (Decrease)			
STATE:	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**
Appropriation	$0	$0	$0	$0
Revenue	($8,875,000)	($8,875,000)	($8,875,000)	($8,875,000)
Expenditures	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source:	[ ] General [X] Education [ ] Highway [X] Other - Restricted Revenue to Health and Human Services (Problem Gaming Services)			

LOCAL:

Revenue	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	$0	$0	$0	$0

METHODOLOGY:

This bill repeals Keno as well as the proration provision for the additional kindergarten grant under RSA 198:48-c, which is based on Keno revenue. According to estimates provided by the Lottery Commission, this bill will reduce state revenues by $8,875,000 per year; $402,500 to the Department of Health and Human Services to support research, prevention, and treatment services for problem gamblers and $8,472,000 to the Education Trust Fund.

Pursuant to RSA 198:48-c, III, in FY 2020 and each year thereafter, the Department of Education shall distribute an additional kindergarten grant, for the remaining ½ of each average daily membership not counted under RSA 198:40-a to each district or charter school operating a full-day kindergarten program, essentially providing "full-adequacy" for full-time kindergarten students. However, if the revenue raised through Keno is insufficient to fully fund the grants, proration is required "proportionally based on entitlement" provided the prorated portion of the grant shall not be less than $1,100 per pupil (regardless of actual Keno revenue). Under this bill, Keno is repealed and so is the proration provision for the additional kindergarten grant, which means the Department would be required to disburse grants equal to "half-adequacy". In FY 2020, under current law, the additional kindergarten grant per student would be between $1,100 and $4,145, depending on the student's eligibility for differentiated aid and actual Keno revenue, while under this bill the additional kindergarten

grant per student would be between $1,856 and $4,145, depending only on the student's eligibility for differentiated aid.

	Current Law	Proposed
RSA 198:48-c Kindergarten Grant Amount	$1,100 to $4,145	$1,856 to $4,145
Criteria for Determining Grant Amount	● Grant based on adequate education grant factors ● Prorated based on Keno revenue raised, but cannot be less than $1,100 per pupil	● Grant based on adequate education grant factors

At this time, data and is not yet available and therefore a calculation of the increase in State Education Trust Fund expenditures and local revenues relative to this increase kindergarten grant amounts cannot be made. However, based on preliminary estimates it appears the total amount will be approximately $8.1M in each year, beginning in FY 2020.

AGENCIES CONTACTED:

Lottery Commission and Department of Education