



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	S. 0650	Amended by Senate Education on February 28, 2024
Author:	Hembree	
Subject:	Lottery Prize Claim Disclosures	
Requestor:	Senate Education	
RFA Analyst(s):	Tipton	
Impact Date:	March 7, 2024	

Fiscal Impact Summary

This bill includes debit card payments as an authorized form of payment for the purchase of lottery tickets from lottery retailers in the state. Currently, cash is the only legal form of payment for the purchase of lottery tickets, and payment by checks, credit cards, charge cards, or other forms of deferred payment are prohibited.

This bill will have no expenditure impact on the SC Education Lottery Commission (SCEL), as this change will primarily impact lottery retailers, and the commission indicates this would not affect normal lottery operations.

This bill may increase Education Lottery (Lottery) revenue by an undetermined amount, depending on the total number of additional lottery tickets purchased with a debit card that would not have occurred under the current law requiring the use of cash. In 2022, 41 percent of U.S. adults said that none of their purchases in a typical week were made using cash, up from 24 percent in 2015, according to a survey conducted by the Pew Research Center.¹ Further, 54 percent of adults ages 18 to 49 said they do not worry about whether they have cash on hand to make purchases, whereas 71 percent of adults ages 50 or older said they always try to have cash on hand. Based on this information, we anticipate that additional lottery tickets may be purchased with the use of a debit card under this bill that would not have been purchased under the current cash requirement. However, the amount of additional sales is unknown. Further, lottery retailers under this bill may continue to exclusively require cash for the purchase of lottery tickets.

Explanation of Fiscal Impact

Amended by Senate Education on February 28, 2024

State Expenditure

This bill includes debit card payments as an authorized form of payment for the purchase of lottery tickets from lottery retailers in the state. Currently, cash is the only legal form of payment for the purchase of lottery tickets, and payment by checks, credit cards, charge cards, or other forms of deferred payment are prohibited.

¹ <https://www.pewresearch.org/short-reads/2022/10/05/more-americans-are-joining-the-cashless-economy/>

This change will primarily impact lottery retailers, and SCEL indicates that this would not affect normal lottery operations. Therefore, this bill will have no expenditure impact on the SCEL.

State Revenue

This bill includes debit card payments as an authorized form of payment for the purchase of lottery tickets from lottery retailers in the state. Currently, cash is the only legal form of payment for the purchase of lottery tickets, and payment by checks, credit cards, charge cards, or other forms of deferred payment are prohibited.

This bill may increase Lottery revenue, depending on the total number of lottery tickets purchased with a debit card under the provisions of the bill that would not have been purchased under the current cash requirement. In 2022, 41 percent of U.S. adults said that none of their purchases in a typical week were made using cash, up from 24 percent in 2015, according to a survey conducted by the Pew Research Center. Further, 83 percent of adults in 2022 said that some or none of their purchases in a typical week were made using cash, up from 75 percent in 2015. In 2022, 14 percent of U.S. adults said that all or almost all of their purchases in a typical week were made using cash, down from 24 percent in 2015. Additionally, 54 percent of adults ages 18 to 49 said they do not worry about whether they have cash on hand to make purchases, whereas 71 percent of adults ages 50 or older said they always try to have cash on hand. Based on this information, we anticipate that additional lottery tickets may be purchased with the use of a debit card under this bill that would not have been purchased under the current cash requirement. However, the amount of additional sales is unknown. Further, lottery retailers under this bill may continue to exclusively require cash for the purchase of lottery tickets. Therefore, the impact on Lottery revenue is undetermined.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director