

2022 Regular Session

SENATE BILL NO. 290

BY SENATOR CORTEZ

GAMING. Provides relative to the regulation of sports wagering. (7/1/22)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

AN ACT

To amend and reenact the introductory paragraph of R.S. 27:27.1(C) and 27.1(C)(1), (3), and (8), (D)(1), (3), and (4), (E), (F), (J), the introductory paragraph of (L), and (M), 627, and 628(B), relative to sports wagering; to specifically include operators and electronic wagering in compulsive and problem gambling programs; to add certain parties to the exception from liability for certain disclosure of information; to allow the division of a licensee's promotional play credit between platforms; to provide a method of proportionate distribution of revenue dedicated to local government; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. The introductory paragraph of R.S. 27:27.1(C) and 27.1(C)(1), (3), and (8), (D)(1), (3), and (4), (E), (F), (J), the introductory paragraph of (L), and (M), 627, and 628(B) are hereby amended and reenacted to read as follows:

§27.1. Uniform compulsive and problem gambling program

* * *

C. Within one hundred twenty days from the adoption of the rules provided for in Subsection B of this Section, each holder of a license **and operator** as defined

1 in R.S. 27:44, 353, and 602, and the casino gaming operator shall submit for
2 approval to the board a comprehensive program that provides policies and
3 procedures that, at a minimum, shall cover the following areas of concern and are
4 designed to:

5 (1) Provide procedures designed to prevent employees from willfully
6 permitting a person identified on a self-exclusion list from engaging in gaming
7 activities at the licensed establishment or facility **or electronically on a sports**
8 **wagering platform.**

9 * * *

10 (3) Provide procedures for the development of programs to address issues of
11 underage gambling and unattended minors at ~~gaming facilities~~ **the licensed**
12 **establishment or facility or electronically on a sports wagering platform.**

13 * * *

14 (8) Provide procedures for the distribution or posting within the gaming
15 establishment **or facility and on the sports wagering platform, including all**
16 **gaming websites and mobile applications,** of information that promotes public
17 awareness about problem gambling and provides information on available services
18 and resources to those who have a gambling problem.

19 * * *

20 D.(1) The board shall provide by rule for the establishment of a list of self-
21 excluded persons from gaming activities ~~at all gaming establishments~~ **with a**
22 **licensee, operator, or casino gaming operator.** Any person may request placement
23 on the list of self-excluded persons by acknowledging in a manner to be established
24 by the board that the person wishes to be excluded and by agreeing that, during any
25 period of voluntary exclusion, the person may not collect any winnings or recover
26 any losses resulting from any **such** gaming activity ~~at such gaming establishments.~~

27 * * *

28 (3) The rules shall establish procedures for the transmittal ~~to all gaming~~
29 ~~establishments~~ of identifying information concerning self-excluded persons, ~~and to~~

1 any entity licensed or permitted under the provisions of this Title that is
2 responsible for ascertaining the identity of gaming patrons. The rules shall
3 require all ~~such gaming establishments~~ licensees, operators, and the casino gaming
4 operator to establish procedures designed, at a minimum, to remove self-excluded
5 persons from targeted mailings or other forms of advertising or promotions and deny
6 self-excluded persons access to credit, complimentaries, check-cashing privileges,
7 and other club benefits.

8 (4) The rules shall provide that notwithstanding the provision of R.S. 27:21
9 or any other law to the contrary, the board's list of self-excluded persons shall not be
10 open to public inspection. The board, division, any licensee, permittee, or casino
11 gaming operator and any employee or agent thereof shall not be liable to any self-
12 excluded person or to any other party in any judicial proceeding for any monetary
13 damages or other remedy which may arise as a result of disclosure or publication in
14 any manner other than a willfully unlawful disclosure to a third party that is not an
15 employee, agent, affiliated company, patron identification service entity, or
16 employee or agent of the board or division, of the identity of any self-excluded
17 person.

18 E. A person who is prohibited from ~~any gaming establishment~~ participating
19 in any gaming activity by any provision of this Title or pursuant to any self-
20 exclusion rules adopted by the board shall not collect in any manner or proceeding
21 any winnings or recover any losses arising as a result of any prohibited gaming
22 activity.

23 F. In any proceeding brought against any licensee, permittee, or casino
24 gaming operator and any employee thereof for a willful violation of the self-
25 exclusion rules of the board, the board may order the forfeiture of any money or
26 thing of value obtained by the licensee, permittee, or the casino gaming operator
27 from any self-excluded person. Any money or thing of value so forfeited shall be
28 deposited into the Compulsive and Problem Gaming Fund established pursuant to
29 R.S. 28:842.

* * *

J.(1) The board may impose sanctions on a licensee, permittee, or casino gaming operator under this Title, if the licensee, permittee, or casino gaming operator willfully fails to exclude **a person placed on the self-exclusion list** from the licensed gaming establishment ~~a person placed on the self-exclusion list~~ **or facility or sports wagering platform or from participating in gaming activity.**

(2) The board may seek revocation or suspension of a license, permit, or casino operating contract if the licensee, permittee, or casino gaming operator engages in a pattern of willful failure to exclude **persons placed on the self-exclusion list** from the licensed gaming establishment ~~persons placed on the self-exclusion list~~ **or facility or sports wagering platform or from participating in gaming activity.**

* * *

L. A licensee, **operator,** or casino gaming operator conducting gaming pursuant to the provisions of this Title can demonstrate to the board compliance with the education and training provisions of this Section by providing proof of attendance by all employees when they are hired and annually thereafter at one of the following education programs:

* * *

M. Except for the provisions of Subsection I, the provisions of this Section shall not apply to persons licensed pursuant to the provisions of the Video Draw Poker Devices Control Law as provided in Chapter 8 of this Title **unless also licensed pursuant to the provisions of the Louisiana Sports Wagering Act as provided in Chapter 10 of this Title.**

* * *

§627. Promotional play

A. Eligible promotional play shall be equal to the amount of dollars directly attributable to promotional play wagers related to sports wagering and actually redeemed by players and patrons.

1 **B.** Eligible promotional play shall not exceed an amount of five million
2 dollars per calendar year.

3 **C.** The maximum amount of **eligible** promotional play provided by this
4 Subsection **B of this Section** shall apply per licensee.

5 ~~B. Notwithstanding the provisions provided by Subsection A of this Section
6 in the event a licensee pools its wagers with other Louisiana sports wagering
7 licensees, the maximum amount of eligible promotional play shall apply per pool,
8 and the amount of eligible promotional play per participating licensee shall be
9 allocated in accordance with an agreement among licensees participating in the pool.
10 Pooling and the corresponding agreement among the licensees shall be subject to the
11 approval of the board.~~

12 ~~C.(1) In no event shall a pool stack eligible promotional play of participating
13 licensees to exceed the maximum amount provided by Subsection A of this Section.~~

14 ~~(2) **D.(1)** In no event shall a licensee claim eligible promotional play from
15 more than one sports wagering platform in a calendar year.~~

16 **(2) Notwithstanding Paragraph (1) of this Subsection, on and after**
17 **January 1, 2023, a licensee may allocate, by contract, all or a portion of its**
18 **eligible promotional play to its contracted sports wagering platform provider.**
19 **In no event shall the combined eligible promotional play claimed by a sports**
20 **wagering licensee and its contracted sports wagering platform provider exceed**
21 **the total maximum amount of eligible promotional play per licensee as provided**
22 **in this Section.**

23 **E. If a sports wagering platform provider contracts with more than one**
24 **sports wagering licensee, it may not claim more than the maximum amount of**
25 **eligible promotional play per licensee as provided in this Section in any calendar**
26 **year, regardless of the amount allocated to it by multiple sports wagering**
27 **licensees.**

28 §628. Sports Wagering Local Allocation Fund

29 * * *

1 B. Monies in the fund shall be remitted monthly, by proportionate
 2 distribution, to each parish governing authority in which the taxable conduct
 3 pursuant to R.S. 27:625 occurred. **The distribution shall be proportionate to the**
 4 **population percentage of each parish that approved a proposition to allow**
 5 **sports wagering compared to the total population of such parishes based on the**
 6 **latest federal decennial census.**

7 Section 2. This Act shall become effective on July 1, 2022; if vetoed by the governor
 8 and subsequently approved by the legislature, this Act shall become effective on the day
 9 following such approval by the legislature or July 1, 2022, whichever is later.

The original instrument was prepared by Dawn Romero Watson. The following digest, which does not constitute a part of the legislative instrument, was prepared by Michelle D. Ridge.

DIGEST

SB 290 Engrossed

2022 Regular Session

Cortez

Present law requires the Louisiana Gaming Control Board to adopt rules for a uniform compulsive and problem gambling program and that such rules include the self-exclusion program. Requires licensees of riverboat gaming, fantasy sports, slot machines at racetracks and sports wagering and the land-based casino to adopt programs in compliance with the board's rules.

Proposed law retains present law and adds applicability to platform operators of such licensees and to electronic wagering, including mobile wagering.

Present law provides that the board's list of self-excluded persons shall not be open to public inspection. Provides that the board, state police gaming division, any licensee, permittee, or the casino gaming operator and any employee or agent thereof shall not be liable to any self-excluded person or to any other party in any judicial proceeding for any monetary damages or other remedy which may arise as a result of disclosure or publication of the identity of the self-excluded person in any manner other than a willfully unlawful disclosure to a third party that is not an employee, affiliated company, or employee or agent of the board or division.

Proposed law retains present law and adds to the liability exception for disclosure to a third party agent of the licensee, permittee, or casino gaming operator or a patron identification service entity.

Present law provides that except for the requirement of posting signs to inform customers of the toll free number for information and referral services regarding compulsive and problem gambling, the uniform compulsive and problem gaming program is not applicable to video draw poker licensees.

Proposed law provides that if the video draw poker licensee becomes a sport wagering licensee, all of the rules and requirements of the uniform compulsive and problem gambling program shall be applicable to the licensee.

Present law provides that licensees or operators are taxed on net gaming proceeds. "Net gaming proceeds" is defined as the amount equal to the total gross revenue of all wagers

placed by patrons less the total amount of all winnings paid out to patrons and the amount of eligible promotional play. Eligible promotional play equals the amount of dollars directly attributable to promotional play wagers related to sports wagering and actually redeemed by players and patrons.

Present law limits eligible promotional play to not more than \$5M per calendar year per licensee. Prohibits a licensee from splitting promotional play between sports wagering platforms.

Proposed law retains present law.

Proposed law provides that if a sports wagering platform provider contracts with more than one sports wagering licensee, it may not claim more than the maximum amount of eligible promotional play per licensee as provided in present law in any calendar year, regardless of the amount allocated to it by multiple sports wagering licensees.

Present law provides that in the event a licensee pools its wagers with other Louisiana sports wagering licensees, the maximum amount of eligible promotional play shall apply per pool, and the amount of eligible promotional play per participating licensee shall be allocated in accordance with an agreement among licensees participating in the pool. Provides that the pooling and the corresponding agreement among the licensees is subject to the approval of the board. Specifically prohibits a pool from stacking eligible promotional play of the participating licensees to exceed a total for the pool of \$5M per calendar year.

Proposed law deletes present law.

Present law creates a special fund in the state treasury known as the Sports Wagering Local Allocation Fund. Provides that monies in the fund shall be remitted monthly, by proportionate distribution, to each parish governing authority in which the taxable conduct occurred.

Proposed law clarifies proportionate distribution to be the population percentage of each parish that approved sports wagering compared to the total population of all 55 parishes that approved sport wagering.

Effective July 1, 2022.

(Amends R.S. 27:27.1(C)(intro para), (1), (3), and (8), (D)(1), (3), and (4), (E), (F), (J), (L)(intro para), and (M), 627, and 628(B))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Judiciary B to the original bill

1. Removes proposed law provisions relative to general powers and duties of the division.
2. Removes \$500,000 limit on eligible promotional play in proposed law.