

SENATE BILL NO. 181

BY SENATOR BASS AND REPRESENTATIVES BAYHAM, FISHER, JACKSON AND VILLIO

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1 AN ACT

2 To amend and reenact R.S. 14:90.3(B) and (E) through (K), and to enact R.S. 14:90.3(L),
3 (M), and (N) and R.S. 27:28(L), (M), and (N), relative to gaming; to provide for
4 illegal gambling by computer; to provide for definitions; to prohibit companies from
5 doing business with terrorist-supporting countries; to prohibit sweepstakes gaming;
6 to provide for penalties; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 14:90.3(B) and (E) through (K) are hereby amended and reenacted,
9 and R.S. 14:90.3(L), (M), and (N) are hereby enacted to read as follows:

10 §90.3. Gambling by computer

11 * * *

12 B. Gambling by computer is the intentional conducting, or directly assisting
13 in the conducting as a business of any game, contest, lottery, or contrivance whereby
14 a person risks the loss of anything of value in order to realize a profit when accessing
15 the ~~Internet~~ internet, World Wide Web, or any part thereof by way of any computer,
16 computer system, computer network, computer software, or any server. **Any game,**
17 **contest, or promotion that is available on the internet or accessible on a mobile**
18 **phone, computer terminal, or similar access device that utilizes a dual-currency**
19 **system of payment allowing the player to exchange the currency for any prize**
20 **or award or cash or cash equivalents, or any chance to win any prize or award**
21 **or cash or cash equivalents, and simulates any form of gambling shall constitute**
22 **gambling by computer and shall not be considered a legal sweepstakes. Such**
23 **forms of gambling shall include but not be limited to the following:**

24 **(1) Casino-style gaming, such as slot machines, video poker, and table**
25 **games, including blackjack, roulette, craps, and poker.**

26 **(2) Lottery games, including draw games, instant win games, keno, and**

1 bingo.

2 (3) Sports wagering.

3 * * *

4 E. Whoever designs, develops, manages, supervises, maintains, provides, or
 5 produces any computer services, computer system, computer network, computer
 6 software, or any server providing a ~~Home Page, Web Site~~ homepage, website, or
 7 any other product accessing the ~~Internet~~ internet, World Wide Web, or any part
 8 thereof offering to any client for the primary purpose of the conducting as a business
 9 of any game, contest, lottery, or contrivance whereby a person risks the loss of
 10 anything of value in order to realize a profit, or violates Subsections G and H of
 11 this Section, shall be fined not more ~~less~~ than twenty ~~ten~~ thousand dollars but not
 12 more than one hundred thousand dollars per occurrence, or imprisoned with or
 13 without hard labor, for not more than five years, or both.

14 F. In addition to the criminal penalties set forth in Subsections D and E
 15 of this Section, any violation of this Section shall be a deceptive and unfair trade
 16 practice and shall subject the offender to any actions and penalties provided for
 17 in the Unfair Trade Practices and Consumer Protection Law, R.S. 51:1401 et
 18 seq.

19 G. It shall be unlawful for any applicant, licensed or permitted entity,
 20 gaming employee, officer or director of a licensed or permitted entity, any
 21 investor, or any other person or entity to operate, conduct, or promote games
 22 as described in this Section within the state.

23 H. It shall be unlawful for any applicant, licensed or permitted entity,
 24 geolocation provider, gaming manufacturer, gaming supplier, platform
 25 provider, promoter, or media affiliate to provide support for the operation,
 26 conduct, or promotion of illegal gambling by computer, including illegal online
 27 sweepstakes games as described in this Section within the state.

28 I. The Louisiana Gaming Control Board and the division, as defined in
 29 R.S. 27:3, shall enforce the provisions of this Section by bringing civil
 30 enforcement actions to enjoin the unlawful conduct, requiring the taking down

1 of illegal gambling websites and illegal gambling mobile applications, and
 2 imposing civil penalties.

3 J. The conducting or assisting in the conducting of gaming activities or
 4 operations upon a riverboat, as defined in R.S. 27:44, at the official gaming
 5 establishment, by operating an electronic video draw poker device, by a charitable
 6 gaming licensee, or at a pari-~~mutual~~mutuel wagering facility, conducting slot
 7 machine gaming at an eligible horse racing facility, or the operation of a state lottery
 8 which is licensed for operation and regulated under the provisions of Chapters 4 and
 9 11 of Title 4, Chapters 4, 5, 6, and 7 of Title 27, or Subtitle XI of Title 47 of the
 10 Louisiana Revised Statutes of 1950, shall not be considered gambling by computer
 11 for the purposes of this Section, so long as the wagering is done on the premises of
 12 the licensed establishment.

13 ~~G.K.~~ The conducting or assisting in the conducting of ~~pari-mutual~~ pari-
 14 mutuel wagering at licensed racing facilities under the provisions of Chapter 4 of
 15 Title 4 of the Louisiana Revised Statutes of 1950, shall not be considered gambling
 16 by computer for the purposes of this Section so long as the wagering is done on the
 17 premises of the licensed establishment.

18 ~~H. Nothing in this Section shall prohibit, limit, or otherwise restrict the~~
 19 ~~purchase, sale, exchange, or other transaction related to stocks, bonds, futures,~~
 20 ~~options, commodities, or other similar instruments or transactions occurring on a~~
 21 ~~stock or commodities exchange, brokerage house, or similar entity.~~

22 ~~I.L.~~ The providing of ~~Internet~~ internet or other ~~on-line~~ online access,
 23 transmission, routing, storage, or other communication related services, or ~~Web Site~~
 24 website design, development, storage, maintenance, billing, advertising, hypertext
 25 linking, transaction processing, or other ~~site-related~~ site-related services, by
 26 telephone companies, ~~Internet Service Providers~~ internet service providers,
 27 software developers, licensors, or other such parties providing such services to
 28 customers in the normal course of their business, shall not be considered gambling
 29 by computer even though the activities of such customers using such services to
 30 conduct a prohibited game, contest, lottery, or contrivance may constitute gambling

1 by computer for the purposes of this Section. The provisions of this Subsection shall
 2 not exempt from criminal prosecution any telephone company, ~~Internet Service~~
 3 ~~Provider~~ **internet service provider**, software developer, licensor, or other such party
 4 if its primary purpose in providing such service is to conduct gambling as a business.

5 ~~J.M.~~ Except as provided in R.S. 27:305, participation in any fantasy sports
 6 contest as defined by R.S. 27:302 shall not be considered gambling by computer for
 7 the purposes of this Section.

8 ~~K.N.~~ Sports wagering shall not be considered gambling for purposes of this
 9 Section so long as the wagering is conducted in compliance with Chapter 10 of Title
 10 27 of the Louisiana Revised Statutes of 1950 or Chapter 10 of Subtitle XI of Title 47
 11 of the Louisiana Revised Statutes of 1950.

12 Section 2. R.S. 27:28(L), (M), and (N) are hereby enacted to read as follows:

13 §28. Suitability standards

14 * * *

15 **L. Prior to the approval of an application for a gaming manufacturer or**
 16 **gaming supplier permit pursuant to R.S. 27:29.1 or R.S. 27:29.2, the division**
 17 **shall determine whether the applicant or any of its affiliates, including entities**
 18 **under common control, within the past five years, has knowingly accepted**
 19 **revenue, directly or indirectly, or profited from gambling in a jurisdiction that**
 20 **is any of the following:**

21 **(1) A Non-Cooperative Country or Territory on the "High-Risk**
 22 **Jurisdictions subject to a Call for Action" or blacklist maintained by the**
 23 **Financial Action Task Force, an international organization established to**
 24 **combat money laundering, terrorism, and proliferation financing.**

25 **(2) Designated as a state sponsor of terrorism by the United States**
 26 **Department of State.**

27 **(3) A country or territory which prohibits land-based gaming, online**
 28 **gaming, or both.**

29 **(4) Any other country or territory determined by the board as knowingly**
 30 **supporting or fostering illegal gambling.**

1 M. If the division or board determines that a licensed gaming
 2 manufacturer or gaming supplier, or any of its affiliates, accepts revenue in or
 3 from a jurisdiction as enumerated in Subsection L of this Section, the board
 4 shall revoke the gaming manufacturer or gaming supplier's permit if, after
 5 notice and opportunity for hearing, the board determines that the
 6 discontinuance of operations of the licensee would further the public interest.

7 N. The board shall require each applicant for a manufacturer or gaming
 8 supplier permit, and annually upon permit issuance, to submit a disclosure of
 9 any activity in a jurisdiction enumerated in Subsection L of this Section. The
 10 disclosure shall state the jurisdictions in which the applicant or permittee, or
 11 any affiliates of either, since the last annual submission, accepted revenue,
 12 directly or indirectly, for the supply of gaming supplies, devices, equipment, or
 13 illegal interactive gambling content in any jurisdiction enumerated in
 14 Subsection L of this Section. A material misrepresentation or omission on the
 15 disclosure may result in any of the following:

16 (1) Denial of an application for a gaming manufacturer or gaming
 17 supplier permit.

18 (2) Administrative action including but not limited to penalty,
 19 suspension, or revocation of its gaming permit.

20 (3) A recommendation or finding of unsuitability for any officers and
 21 directors or any other person involved in the misrepresentation or omission.

 PRESIDENT OF THE SENATE

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____