
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Dawn Romero Watson.

DIGEST

SB 153 Original

2019 Regular Session

Martiny

Proposed law provides for a statewide election (decided on a parish-by-parish basis) to authorize the wagering in Louisiana on sports events. Provides that if approved by the voters of a particular parish, a licensed riverboat (Riverboat) or live horse racing facility with a licensed slot machine gaming area (Track) or the land-based casino gaming operator (Land-Based Casino) located in that parish may offer sports wagering. Requires the Riverboat, Track, or Land-Based Casino to apply to the Gaming Control Board (board) for a sports wagering certificate and be approved for such before conducting sports wagering.

Present law provides for manufacturer, gaming supplier, nongaming supplier, and key and nonkey gaming employee permits for manufacturers and suppliers who seek to do business and individuals who seek employment with Riverboats, Tracks, or the Land-Based Casino. Requires the manufacturer, supplier, or employee to secure the permit from the board before performing any activity for which a permit is required.

Proposed law adds sports wagering service provider to the list of present law permittees and defines a sports wagering service provider as a person who contracts with the holder of a sports wagering certificate to manage, administer, and control sports wagers for a Riverboat, Track, or the Land-Based Casino.

RIVERBOATS

Present law defines "game". Provides, among other exclusions, that "game" does not include any wagering on any type of sports event including but not limited to football, basketball, baseball, hockey, boxing, tennis, wrestling, jai alai, or other sports contest or event. Provides "game" shall also include racehorse wagering.

Proposed law retains present law and adds that, for Riverboats to whom the board has issued a sports wagering certificate, "game" shall also include sports wagering as authorized in proposed law.

Present law defines "gaming device" or "gaming equipment" as any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or machine, including a slot machine, used directly or indirectly in connection with gaming or any game, which affects the result of a wager by determining wins or losses.

Proposed law retains present law and adds that, for Riverboats to whom the board has issued a sports wagering certificate, "gaming device" or "gaming equipment" shall also include any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or machine used directly or indirectly in connection with sports wagering.

Present law defines "gaming position" as a gaming device seat or a space at a table game. Each gaming device seat shall be counted as one position and each space at a table game shall be counted as one position, subject to the rules and regulations of the board. The board shall specifically provide by rule for the counting of gaming positions for devices and games where seats and spaces are not readily countable.

Proposed law retains present law and adds that, for Riverboats to whom the board has issued a sports wagering certificate, "gaming position" shall also include a self-service wagering machine or self-service kiosk or wagering window space where a sports wager is accepted and each space, machine, or kiosk where a sports wager is accepted shall be counted as one position, subject to rules and regulations of the board.

Present law requires Riverboats to utilize a cashless wagering system except for racehorse wagering and the play of slot machines.

Proposed law retains present law and adds sports wagering to the exception.

LAND-BASED CASINO

Present law defines "game". Provides, among other exclusions, that "game" does not include wagering on any type of sports event, inclusive but not limited to football, basketball, baseball, hockey, boxing, tennis, wrestling, jai alai, or other sports contest or event.

Proposed law retains present law and adds that, if the Land-Based Casino has been issued a sports wagering certificate by the board, "game" shall also include sports wagering as authorized in proposed law.

Present law defines "gaming device" or "gaming equipment" as any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or machine used directly or indirectly in connection with gaming or any game, which affects the result of a wager by determining wins or losses.

Proposed law retains present law and adds that if the Land-Based Casino has been issued a sports wagering certificate, "gaming device" or "gaming equipment" shall also include any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or machine used directly or indirectly in connection with sports wagering.

Present law requires wagering at the official gaming establishment to be made with tokens, chips, vouchers, coupons, or electronic cards issued by the Land-Based Casino.

Proposed law retains present law and adds that if the Land-Based Casino is issued a sports wagering certificate, sports wagers at the official gaming establishment shall be made in cash or through a patron's verified wagering account.

TRACKS

Present law provides that wagering at the Track may be made with tokens, chips, vouchers, coupons, or electronic cards issued by the Track. Excludes the use of debit cards which automatically withdraw funds from a credit, savings, or checking account.

Proposed law retains present law and adds that sports wagers at an eligible facility may be made in cash or through a patron's verified wagering account.

Present law prohibits the operation or play of any type of game at the Tracks the play of which requires the participation of any employee of the licensee.

Proposed law makes an exception to present law for Tracks with a sports wagering certificate.

SPORTS WAGERING

Proposed law provides for the Louisiana Sports Wagering Control Act and provides for definitions. Authorizes sports wagering gaming activities to be conducted by persons in specified locations provided all of the following requirements are met:

- (1) A majority of the qualified electors voting at a proposition election called for that purpose in a parish where the sports wagering is taking place voted in favor of permitting sports wagering.
- (2) The Riverboat, Track, or Land-Based Casino has been awarded a sports wagering certificate by the board to conduct sports wagering.
- (3) The sports wagering is taking place within the designated gaming area of the Riverboat, designated slot machine gaming area of the Track, or the official gaming establishment of the Land-Based Casino.
- (4) The gaming activities relative to sports wagering are being conducted in accordance with proposed law and all rules, regulations, and requirements of the board.

Proposed law provides that a sports wagering certificate holder may accept wagers on an approved sports event at a wagering window or through self-service wagering machines or self-service kiosks. Provides that each machine, kiosk, or window shall be counted as a single gaming position.

Proposed law provides a procedure for applying for a sports wagering certificate and requires an eligible Riverboat, Track, or Land-Based Casino to be awarded a certificate before conducting, operating, or performing any activity regulated pursuant to proposed law.

Proposed law provides that beginning January 1, 2020, in parishes in which sports wagering has been approved by the voters, a Riverboat, Track, or Land-Based Casino may apply to the board for a certificate on a form and in a manner prescribed by the board. Provides that no certificate to conduct sports wagering shall be issued unless the board finds:

- (1) That the applicant is capable of conducting sports wagering.
- (2) That the applicant's submission of a detailed plan of design of the gaming area for sports wagering and the number of gaming positions that it intends to dedicate to sports wagering are acceptable.

Proposed law provides that only after the application is approved by the board and the board has received payment of applicable fees and issued the sports wagering certificate to the licensee or operator may the licensee or casino gaming operator conduct sports wagering at its facility.

Proposed law provides that a sports wagering certificate shall not be transferrable; however, the holder may contract with a permitted sports wagering service provider to manage, administer, or control sports wagers.

Proposed law provides that the term of a sports wagering certificate shall be concurrent with the term of the applicant's license and eligible for renewal consistent with the applicant's license or contract.

Proposed law requires the board to adopt all rules necessary to implement, administer, and regulate sports wagering as authorized by proposed law. Provides that at a minimum, the rules shall include the following:

- (1) Standards and procedures to govern the conduct of sports wagering including but not limited to standards and procedures for the approval of a sports event for wagering, and the system of wagering, including the manner in which wagers are received; payouts are remitted; point spreads, lines, and odds are determined; and disputes are resolved.
- (2) The method for calculating gross sports wagering revenue and standards for the daily counting and recording of cash and cash equivalents received in the conduct of sports wagering, including ensuring that internal controls are followed, financial books and records are maintained, and audits are conducted.
- (3) The amount of cash reserves to be maintained to cover winnings by the sports wagering certificate holder or sports wagering services provider permittee.
- (4) Maximum wagers which may be accepted by the sports wagering certificate holder or sports wagering service provider permittee, as appropriate, from any one patron on any one sports event.
- (5) Notice requirements pertaining to minimum and maximum wagers.
- (6) Compulsive and problem gambling standards pertaining to sports wagering consistent with present law and proposed law.
- (7) Standards prohibiting persons under 21 years of age from participating in sports wagering.

- (8) Requirements that each sports wagering certificate holder and each sports wagering service provider permittee shall:
- (a) Provide written information to sports wagering patrons about sports wagering rules, payouts or winning wagers, and other information as the board may require.
 - (b) Provide specifications approved by the board to integrate and update the casino's or eligible facility's surveillance system to cover all areas where sports wagering is conducted.
 - (c) Designate one or more locations within the designated gaming area, designated slot machine gaming area, or official gaming establishment to conduct sports wagering.
 - (d) Ensure that visibility of each sports wagering area in the casino or eligible facility is not obstructed in any way that could interfere with the ability of the sports wagering certificate holder and the board and other persons authorized under present law or by the board to oversee the surveillance of the conduct of sports wagering.
 - (e) Integrate the casino's or eligible facility's count room to ensure maximum security of the counting and storage of cash and cash equivalents.
 - (f) Equip each designated gaming area or designated slot machine gaming area within the casino or eligible facility with a sign indicating the permissible sports wagering minimum and maximum wagers.
 - (g) Ensure that no person under 21 years of age participates in sports wagering.

Proposed law provides that if the board has initiated regular rulemaking, the board may adopt initial emergency administrative rules without a finding that imminent peril to the public health, safety, or welfare exists.

Proposed law prohibits:

- (1) A person under the age of 21 from placing a sports wager and a sports wagering certificate holder or sports wagering service provider permit holder from knowingly accepting a wager from a person under 21 years of age.
- (2) A person from placing a wager and a sports wagering certificate holder or sports wagering service provider permit holder from knowingly accepting a wager from any person who may control the outcome of the sports event on which the wager is attempting to be placed.

Proposed law authorizes electronic or mobile sports wagering provided:

- (1) Prior to the acceptance of any electronic wager, a patron shall have established a wagering account through the sports wagering certificate holder or sports wagering service provider

permittee and an initial verification of the account is completed by the holder or permittee.

- (2) Electronic sports wagers are placed only in the gaming area of the Riverboat, Track, or Land-Based Casino as determined by the board.
- (3) The sports wagering certificate holder or sports wagering service provider permittee maintains geo-fencing or geo-location services and bears all costs and responsibilities associated therewith as required by the board.

ELECTION

Proposed law provides for a statewide election on October 12, 2019, on a proposition to determine whether sports wagering may be permitted in the parish. Provides that if the majority of the qualified electors voting disapprove the proposition, sports wagering shall not be allowed in that parish. Provides that if the majority of qualified electors voting approve the proposition, sports wagering may be conducted in the parish in accordance with proposed law.

Provides that proposed law shall not take effect and become operative until laws become operative and effective regarding permit and certificate fees for conducting sports wagering and regarding taxes on net sport wagering proceeds.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 13:4721, R.S. 14:90(C) and 90.3(F), R.S. 27:3(24), 15(B)(1), 29(F), (H), and (I), 29.2(D), 29.3(A) and (D), 29.4(D), 44(10), (12), and (14), 58(5), 65(B)(11), 205(12) and (13), 239.1, 361(F), and 371(C); adds R.S. 18:1300.24, R.S. 27:3(25) and (26), 15(B)(8)(c), 29.2.1, and 601-607)