

2021 Regular Session

HOUSE BILL NO. 628

BY REPRESENTATIVE STEFANSKI

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

GAMING: Provides for sports wagering

1 AN ACT  
2 To amend and reenact R.S. 27:15(D) and (E), 29.1(D) and (E), 29.2(A), (B), (D) and (E),  
3 29.3(A)(1) and (2), 29.4(D) and 92(D), R.S. 47:9001, 9002(2) and (9), 9006(B),  
4 9010(E), 9029(A)(1), and 9050(A) and to enact R.S.27:29.2(F), Part IV of Chapter  
5 10 of Title 27 of the Louisiana Revised Statutes of 1950, to be comprised of R.S.  
6 27:621 through 628, R.S. 39:100.61(D), and R.S. 47:9083, relative sports wagering  
7 gaming; to provide with respect to sports wagering; to provide for the issuance of  
8 certain licenses for the conducting of sports wagering gaming; to authorize the  
9 Louisiana Lottery Corporation to Conduct sports wagering gaming; to levy a state  
10 tax on certain sports wagering gaming; to provide for certain licenses and permits;  
11 to provide for the collection and disposition of certain monies; to provide for  
12 legislative purpose and intent; to create the Sports Wagering Enforcement Fund; to  
13 create the New Opportunities Waiver Fund Developmental Disability Services  
14 Subfund; to provide for certain definitions; to provide for the authority of the  
15 Louisiana Gaming Control Board; to provide for the authority of the Louisiana  
16 Lottery Corporation board of directors; to provide for a public records exception; to  
17 provide for certain requirements, conditions, and limitations; to provide for the  
18 disposition of the avails of the tax and fees; to provide for an effective date; and to  
19 provide for related matters.  
20 Be it enacted by the Legislature of Louisiana:

1 Section 1. R.S. 27:15(D) and (E), 29.1(D) and (E), 29.2(A), (B), (D) and (E),  
2 29.3(A)(1) and (2), 29.4(D) and 92(D) are hereby amended and reenacted and  
3 R.S.27:29.2(F) and Part IV of Chapter 10 of Title 27 of the Louisiana Revised Statutes of  
4 1950, to be comprised of R.S. 27:621 through 628 are hereby enacted to read as follows:

5 §15. Board's authority; responsibilities

6 \* \* \*

7 D. In addition to or in lieu of the revocation or suspension of a license or  
8 permit issued pursuant to the provisions of the Louisiana Riverboat Economic  
9 Development and Gaming Control Act, the Louisiana Economic Development and  
10 Gaming Corporation Act, the Pari-mutuel Live Racing Facility Economic  
11 Redevelopment and Gaming Control Act, the Sports Wagering Act, and this Chapter,  
12 the board may impose upon the casino gaming operator or the holder of a license as  
13 defined in R.S. 27:44 ~~or~~, 353, or 602, or a permittee a civil penalty not to exceed one  
14 hundred thousand dollars for each violation of any provision of the Louisiana  
15 Riverboat Economic Development and Gaming Control Act, the Louisiana  
16 Economic Development and Gaming Corporation Act, the Louisiana Pari-mutuel  
17 Live Racing Facility Economic Redevelopment and Gaming Control Act, the Sports  
18 Wagering Act, this Chapter, or any rule or regulation of the board. Payment of the  
19 civil penalty shall be a requirement for the retention of any permit, certificate, or  
20 license held by the entity which violated any such provisions. If the licensee contests  
21 the imposition of the civil penalty, the penalty shall be imposed only after an  
22 adjudicatory hearing is conducted pursuant to R.S. 27:25 and a basis for imposition  
23 of the penalty is determined to exist.

24 E. The board by rule may adopt a schedule of penalties for violations of the  
25 Louisiana Riverboat Economic Development and Gaming Control Act, the Louisiana  
26 Economic Development and Gaming Corporation Act, the Pari-mutuel Live Racing  
27 Facility Economic Redevelopment and Gaming Control Act, the Sports Wagering  
28 Act, this Chapter, or any rule or regulation of the board. Any such rules shall be

1 adopted pursuant to the Administrative Procedure Act and as otherwise provided in  
2 this Chapter.

3 \* \* \*

4 §29.1. Manufacturer; permits

5 \* \* \*

6 D. The annual fee for a manufacturer of slot machines, sports wagering  
7 mechanisms, and video draw poker devices permit issued under the provisions of this  
8 Section is fifteen thousand dollars. This fee is required to be submitted at the time  
9 of application and on the anniversary date of the issuance of the permit thereafter.

10 E. The annual fee for a manufacturer of gaming equipment other than slot  
11 machines, sports wagering mechanisms, and video draw poker devices permit issued  
12 under the provisions of this Section is seven thousand five hundred dollars. This fee  
13 is required to be submitted at the time of application and on the anniversary date of  
14 the issuance of the permit thereafter.

15 §29.2. Gaming supplier permits

16 A. The board shall issue a gaming supplier permit to suitable persons who  
17 supply, sell, lease, or repair, or contract to supply, sell, lease, or repair gaming  
18 devices, equipment, and supplies to the holder of a license as defined in ~~R.S.~~  
19 ~~27:44(14), R.S. 27:353(5)~~ R.S. 27:44 and 353, ~~or the casino gaming operator, or a~~  
20 sports wagering operator as defined in R.S. 27:602. A person shall not supply, sell,  
21 lease, or repair or contract to supply, sell, lease, or repair gaming devices, equipment,  
22 and supplies unless they possess a valid gaming supplier permit.

23 B. Gaming devices, supplies, or equipment may not be distributed to the  
24 holder of a license as defined in ~~R.S. 27:44(14), R.S. 27:353(5)~~ R.S. 27:44 and 353,  
25 ~~or a casino gaming operator, a sports wagering operator as defined in R.S. 27:602,~~  
26 or supplier unless such devices, equipment, or supplies conform to rules adopted by  
27 the board for such purpose.

28 \* \* \*

1 D. A supplier shall furnish to the board a list of any gaming equipment and  
2 supplies offered by the supplier for sale or lease in connection with games authorized  
3 under this Title. A supplier shall keep books and records for the furnishing of  
4 gaming equipment and supplies to gaming operations separate and distinct from any  
5 other business that the supplier might operate. A supplier shall file a quarterly return  
6 with the board listing all sales and leases. A supplier shall permanently affix its name  
7 to all its gaming devices, equipment, and supplies for gaming operations unless  
8 otherwise authorized by the board. Any supplier's gaming devices, equipment, or  
9 supplies which are used by any person in unauthorized gaming operations shall be  
10 forfeited to the board. The holder of a license as defined in ~~R.S. 27:44(14)~~, ~~R.S.~~  
11 ~~27:353(5)~~ R.S. 27:44,353, and 602, and the casino gaming operator may own its own  
12 gaming devices, equipment, and supplies. Each supplier, the holder of a license as  
13 defined in ~~R.S. 27:44(14)~~, ~~R.S. 27:353(5)~~ R.S. 27:44,353, and 602, and the casino  
14 operator shall file an annual report with the board listing its inventories of gaming  
15 devices, equipment, and supplies.

16 E. The annual fee for a gaming supplier permit issued under the provisions  
17 of this Section is three thousand dollars. This fee is required to be submitted at the  
18 time of application and on the anniversary date of the issuance of the permit  
19 thereafter. The provisions of this Subsection shall not apply to any suitable business  
20 or legal entity that is domiciled in this state and markets or buys, sells, leases,  
21 services, or repairs sports wagering mechanisms in this state.

22 F. Any suitable business or legal entity that is domiciled in this state and  
23 markets or buys, sells, leases, services, or repairs sports wagering mechanisms in this  
24 state shall be in accordance with R.S. 27:625.

25 §29.3. Non-gaming supplier permit

26 A.(1) The division shall issue a non-gaming supplier permit to suitable  
27 persons who furnish services or goods and receive compensation or remuneration for  
28 such goods or services to the holder of a license as defined in R.S. 27:44 and 353, or  
29 the casino gaming operator, or a sports wagering operator as defined in R.S. 27:602.

1 The board shall promulgate rules establishing the threshold amount of goods and  
 2 services for which a non-gaming supplier permit is required. Such services include  
 3 but are not limited to industries offering goods or services whether or not directly  
 4 related to gaming activity, including junket operators and limousine services  
 5 contracting with the holder of a license as defined in R.S. 27:44 and 353, ~~or the~~  
 6 casino gaming operator, or the sports wagering operator as defined in R.S. 27:602,  
 7 suppliers of food and nonalcoholic beverages, gaming employee or dealer training  
 8 schools, garbage handlers, vending machine providers, linen suppliers, or  
 9 maintenance companies. Any employee or dealer training school, other than  
 10 employee or training schools conducted by a licensee, or the casino gaming operator,  
 11 shall be conducted at an institution approved by the Board of Regents or the State  
 12 Board of Elementary and Secondary Education.

13 (2) Any person who, directly or indirectly, furnishes services or goods to the  
 14 holder of a license as defined in R.S. 27:44 and 353, ~~or the casino gaming operator,~~  
 15 or the sports wagering operator as defined in R.S. 27:602, regardless of the dollar  
 16 amount of the goods and services furnished or who has a business association with  
 17 the holder of a license as defined in R.S. 27:44 and 353, ~~or the casino operator, or the~~  
 18 sports wagering operator as defined in R.S. 27:602, may be required by the board or  
 19 division, where applicable, to be found suitable or apply for a non-gaming supplier  
 20 permit. Failure to supply all information required by the board or division, where  
 21 applicable, may result in a finding of unsuitability or denial of a non-gaming supplier  
 22 permit.

\* \* \*

24 §29.4. Key and non-key gaming employee permit

25 \* \* \*

26 D. The holder of a key or non-key gaming employee permit issued under this  
 27 Title shall be authorized to work in the capacity for which permitted for the holder  
 28 of a license as defined in ~~R.S. 27:44(14), R.S. 27:353(5),~~ R.S. 27:44 and 353, ~~or the~~  
 29 casino gaming operator, or the sports wagering operator as defined in R.S. 27:602.

30 \* \* \*

1 §92. Collection and disposition of fees

2 \* \* \*

3 D. The provisions of this Section shall not apply to any monies collected  
4 relative to sports wagering.

5 \* \* \*

6 PART IV.

7 FEES, TAXES, AND COLLECTIONS

8 §621. Definitions

9 For purposes of this Chapter, the following terms shall have the following  
10 meanings ascribed to them unless the context clearly indicates otherwise:

11 (1) "Board" means the Louisiana Gaming Control Board, as established by  
12 R.S. 27:11.

13 (2) "Distributor" means a suitable business or legal entity that is domiciled  
14 in this state and markets or buys, sells, leases, services, or repairs sports wagering  
15 mechanisms in this state.

16 (3) "Division" shall have the same meaning as that term is defined in R.S.  
17 27:3.

18 (4) "License" or "licensee" means a license or authorization to operate a  
19 sports book in this state in compliance with the provisions of this Chapter.

20 (5) "Mobile application" means an application on a mobile phone or other  
21 device through which a player is able to place a wager with an operator on a sports  
22 event and receive a credit on their sports wagering account.

23 (6) "Net gaming proceeds" means the amount equal to the total gross revenue  
24 of all wagers placed by patrons less the total amount of all winnings paid out to  
25 patrons.

26 (7) "Operator" or "sports wagering operator" means the entity that actually  
27 books a sports wager. The operator may be:

28 (a) The licensee who manages and operates a sports book itself.

1           (b) The licensee's contracted sports wagering platform provider, in  
2           accordance with the scope of that contract, when the licensee chooses to contract the  
3           management and operation of all or a portion of its sports book line-of-business with  
4           a platform provider.

5           (8) "Permit" has the same meaning as that term is defined in R.S. 27:3.

6           (9) "Permittee" has the same meaning as that term is defined in R.S. 27:3.

7           (10) "Person" has the same meaning as that term is defined in R.S. 27:3.

8           (11) "Retail establishment" means a retail business that has a contract with  
9           an operator and is permitted by the board for the location of a sports wagering  
10          mechanism.

11          (12) "Sports event" means any professional sport or athletic event, any  
12          collegiate sport or athletic event, any Olympic or international sports competition  
13          event, or any other special event or competition of relative skill as authorized by the  
14          board to be a sports event for purposes of this Chapter. "Sports event" shall not  
15          include high school sports, youth events, any international sports events where the  
16          majority of the athletes are under the age of eighteen years old, electronic sports,  
17          competitive video games, fantasy sports contests as provided in Chapter 6 of this  
18          Title, and any event prohibited by law.

19          (13) "Sports wager" or "sports bet" means a sum of money or representation  
20          of value risked by a player on an occurrence associated with a sports event for which  
21          the outcome is uncertain.

22          (14) "Sports wagering platform" or "sports book" means an integrated system  
23          of hardware, software, or applications, including mobile applications and servers,  
24          through which an operator conducts the business of offering for play wagering  
25          conducted in accordance with this Chapter on a sports event or on portions of a  
26          sports event or on the individual performance or statistics of athletes in a sports event  
27          or a combination of sports events, by any system or method of wagering. The term  
28          includes but is not limited to single-game bets, teaser bets, parlay bets, over-under

1 bets, moneyline bets, pools, exchange wagering, in-game wagering, in-play bets,  
2 proposition bets, parlays, and straight bets.

3 (15) "Sports wagering service provider" means a suitable business or legal  
4 entity that holds a permit from the board to engage in support services for the  
5 operation of a sports book on behalf of a licensee.

6 §622. Sports wagering license fee

7 A. The initial application fee for a sports wagering license shall be one  
8 million dollars and shall be non-refundable. The initial application fee shall be  
9 submitted to the board at the time of application.

10 B. The license fee for a sports wagering license issued pursuant to R.S.  
11 27:605, shall be five hundred thousand dollars. The license shall be for a term of five  
12 years. The license fee shall be submitted to the board on the anniversary date of the  
13 issuance of the license every five years. The first license payment shall be submitted  
14 to the board at the time of application.

15 C. The division shall collect all fees, and fines imposed or assessed pursuant  
16 to the provisions of this Section and all fees related to sports wagering activities  
17 imposed or assessed in this Section and deposit the fees into the Sports Wagering  
18 Enforcement Fund established in R.S. 27:628.

19 §623. Sports wagering platform provider permit fee

20 A. The initial application fee for a sports wagering platform provider permit  
21 shall be one hundred thousand dollars and shall be non-refundable. The initial  
22 application fee shall be submitted to the board at the time of application.

23 B. The permit fee for a sports wagering platform provider permit issued  
24 pursuant to R.S. 27:606 shall be fifty thousand dollars. The permit shall be for a term  
25 of five years. The permit fee shall be submitted to the board on the anniversary date  
26 of the issuance of the permit every five years. The first permit payment shall be  
27 submitted to the board at the time of application.

28 C. The division shall collect all fees and fines imposed or assessed pursuant  
29 to the provisions of this Section and all fees related to sports wagering activities



1 imposed or assessed in this Section and deposit the fees into the Sports Wagering  
2 Enforcement Fund established in R.S. 27:628.

3 §624. Sports wagering service provider permit fee

4 A. The initial application fee for a sports wagering service provider permit  
5 shall be fifty thousand dollars and shall be non-refundable. The initial application fee  
6 shall be submitted to the board at the time of application.

7 B. The permit fee for a sports wagering platform provider permit issued  
8 pursuant to R.S. 27:607 shall be twenty-five thousand dollars. The permit shall be  
9 for a term of five years. The permit fee shall be submitted to the board on the  
10 anniversary date of the issuance of the permit every five years. The first permit  
11 payment shall be submitted to the board at the time of application.

12 C. The division shall collect all fees, and fines imposed or assessed pursuant  
13 to the provisions of this Section and all fees related to sports wagering activities  
14 imposed or assessed in this Section and deposit the fees into the Sports Wagering  
15 Enforcement Fund established in R.S. 27:628.

16 §625. Sports wagering distributor permit fee

17 A. The initial application fee for a sports wagering distributor permit shall  
18 be five thousand dollars and shall be non-refundable. The initial application fee shall  
19 be submitted to the board at the time of application.

20 B. The permit fee for a sports wagering distributor permit issued pursuant  
21 to R.S. 27:29.2, shall be two thousand five hundred dollars. The permit shall be for  
22 a term of five years. The permit fee shall be submitted to the board on the  
23 anniversary date of the issuance of the permit every five years. The first permit  
24 payment shall be submitted to the board at the time of application.

25 C. The division shall collect all fees and fines imposed or assessed pursuant  
26 to the provisions of this Section and all fees related to sports wagering activities  
27 imposed or assessed in this Section and deposit the fees into the Sports Wagering  
28 Enforcement Fund established in R.S. 27:628.

1        §626. Sports wagering retail establishment permit fee

2                A. The initial application fee for a sports wagering retail establishment  
3        permit shall be two thousand five hundred dollars and shall be non-refundable. The  
4        initial application fee shall be submitted to the board at the time of application.

5                B. The permit fee for a sports wagering retail establishment permit issued  
6        pursuant to R.S. 27:608, shall be one hundred dollars. The permit shall be for a term  
7        of five years. The permit fee shall be submitted to the board on the anniversary date  
8        of the issuance of the permit every five years. The first permit payment shall be  
9        submitted to the board at the time of application.

10               C. The division shall collect all fees and fines imposed or assessed pursuant  
11        to the provisions of this Section and all fees related to sports wagering activities  
12        imposed or assessed in this Section and deposit the fees into the Sports Wagering  
13        Enforcement Fund established in R.S. 27:628.

14        §627. State tax; levy

15               A. There is hereby levied a fifteen percent tax upon the net gaming proceeds  
16        of a licensee or an operator from sports wagering offered to consumers within this  
17        state at a licensed sports wagering establishment.

18               B. There is hereby levied a thirty percent tax upon the net gaming proceeds  
19        of a licensee or an operator from sports wagering offered to consumers within this  
20        state through a mobile application.

21               C. The division shall collect the taxes imposed pursuant to the provisions of  
22        this Section.

23               D. All taxes collected by the division pursuant to this Section, shall be  
24        forwarded upon receipt to the state treasurer for immediate deposit into the state  
25        treasury. Funds deposited into the treasury shall first be credited to the Bond Security  
26        and Redemption Fund in accordance with Article VII, Section 9(B) of the  
27        Constitution of Louisiana.

1 E. After complying with the provisions of Subsection D of this Section, each  
2 fiscal year, the state treasurer shall disburse the avails of the taxes levied pursuant  
3 to Subsections A and B of this Section as follows:

4 (1) Ninety-five percent of the avails of the taxes levied pursuant to  
5 Subsections A and B of this Section shall be credited to the state general fund.

6 (2) Five percent of the avails of the taxes levied pursuant to Subsections A  
7 and B of this Section shall be remitted, by proportionate distribution, to each parish  
8 governing authority in which the taxable conduct occurred.

9 (F) The provisions of this Section shall not apply to any sports wagering  
10 offered in this state by the Louisiana Lottery Corporation.

11 §628. Sports Wagering Enforcement Fund

12 (1) There is hereby created in the state treasury a special fund to be  
13 designated as the "Sports Wagering Enforcement Fund", hereafter in this Section, the  
14 "fund". After allocation of money to the Bond Security and Redemption Fund as  
15 provided in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer  
16 shall deposit in and credit to the fund monies from license and permit fees collected  
17 pursuant to this Part. Monies in the fund shall be invested in the same manner as  
18 monies in the state general fund. interest earned on investment of monies in the  
19 fund shall be deposited in and credited to the fund. Unexpended and unencumbered  
20 monies in the fund shall remain in the fund. Monies in the fund shall be appropriated,  
21 administered and use solely as provided in this Section.

22 (2) The monies in the fund shall be withdrawn only pursuant to appropriation  
23 by the legislature and shall be used solely for the expenses of the Department of  
24 Public Safety and Corrections and the Department of Justice, including regulatory,  
25 administrative, investigative, enforcement, legal, and other expenses as may be  
26 necessary to carry out the provisions of this Chapter and the rules of the board.

27 \* \* \*

1 Section 2. R.S. 39:100.61(D) is hereby enacted to read as follows:

2 §100.61. New Opportunities Waiver Fund

3 \* \* \*

4 D. There is hereby created within the fund the Developmental Disability  
5 Services Subfund, hereinafter referred to as the "subfund". After allocation of  
6 money to the Bond Security and Redemption Fund as provided in Article VII,  
7 Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit in and credit  
8 to the subfund the revenues derived from the taxes imposed by R.S. 27:627 and R.S.  
9 47:9082. Monies in the subfund shall be invested by the treasurer in the same  
10 manner as monies in the fund. Unexpended and unencumbered monies in the  
11 subfund at the end of the fiscal year shall remain in the subfund. The Louisiana  
12 Department of Health shall consult with the Louisiana Developmental Disabilities  
13 Council to develop a plan for appropriations out of this subfund.

14 Section 3. R.S. 47:9001, 9002(2) and (9), 9006(B), 9010(E), 9029(A)(1), and  
15 9050(A) are hereby amended and reenacted and R.S. 47: 9002(10), 9008(B), 9082, and 9083  
16 are hereby enacted to read as follows:

17 §9001. Statement of purpose and intent

18 A. The legislature hereby recognizes that the operations of a state lottery are  
19 unique activities for state government and that a corporate structure will best enable  
20 the lottery to be managed in an entrepreneurial and business-like manner. It is the  
21 intent of the legislature that the Louisiana Lottery Corporation shall be accountable  
22 to the governor, the legislature, and the people of the state through a system of  
23 audits, reports, legislative oversight, and thorough financial disclosure as required  
24 by this Subtitle.

25 B. The legislature hereby recognizes that, similar to other states, the  
26 Louisiana Lottery Corporation is uniquely positioned to participate in the sports  
27 wagering industry based upon its business model, infrastructure, and current  
28 relationship with retail establishments. The legislature also recognizes that allowing  
29 the state lottery to participate in sports wagering may generate additional state

1 revenue. The Louisiana Lottery Corporation is hereby authorizes to apply, and if  
2 approved, operate, or contract with a sports wagering service provider for the  
3 operation of a sports book. A sports book operated by the Louisiana Lottery  
4 Corporation shall be a separate and distinct responsibility and operation from lottery  
5 gaming.

6 §9002. Definitions

7 As used in this Subtitle, the following words and phrases shall have the  
8 following meanings unless the context clearly requires otherwise:

9 \* \* \*

10 (2) "Lottery" means any game of chance approved by the corporation and  
11 operated pursuant to this Chapter. Lottery shall not include wagering on any sporting  
12 event, single-game bets, teaser bets, parlay bets, over-under bets, moneyline bets,  
13 pools, exchange wagering, in-game wagering, in-play bets, proposition bets, parlays  
14 and straight bets.

15 \* \* \*

16 (9) "Sport book" has the same meaning as the term is defined in R.S. 27:602  
17 and is regulated pursuant to Chapter 10 of Title 27 of the Louisiana Revised Statutes  
18 of 1950.

19 (10) "Vendor" means any person who has entered into a major procurement  
20 contract with the corporation.

21 \* \* \*

22 §9006. Records of corporation deemed open; exceptions

23 \* \* \*

24 B.(1) Records pertaining to the security of lottery operations, whether  
25 current or proposed, the security director, and the security division of the corporation  
26 shall be deemed to be records containing security procedures, investigative  
27 techniques, or internal security information for purposes of R.S. 44:3(A)(3).

28 (2) In the event the Louisiana Gaming Control Board awards a sports  
29 wagering license to the corporation pursuant to Chapter 10 of Title 27 of the Revised

1        Statutes of 1950, sports wagering account records on individual players shall not be  
2        open to public inspection and shall be deemed to be records which are collected or  
3        obtained for threat or vulnerability assessments in the prevention of terrorist-related  
4        activity or internal security purposes for purposes of R.S. 44:3(A)(3).

5                        \*        \*        \*

6        §9008. Board; lottery games; regulation; sports wagering

7                        \*        \*        \*

8                B.(1) The board may authorize the president to apply to the Louisiana  
9        Gaming Control Board for a license to operate a sports book pursuant to Chapter 10  
10        of Title 27 of the Louisiana Revised Statutes of 1950.

11                (2)(a) In the event the corporation receives a license to operate a sports book  
12        from the Louisiana Gaming Control Board, the corporation may operate a sports  
13        book itself or contract with a sports wagering service provider to operate the sports  
14        book on its behalf.

15                (b) In the event the corporation receives a license to operate a sports book  
16        from the Louisiana Gaming Control Board, the operation of its sports book shall be  
17        separate and distinct from the operations of the lottery.

18                        \*        \*        \*

19        §9010. Powers and obligations of corporation's president; residence in Louisiana;  
20        ongoing study authorized

21                        \*        \*        \*

22                E.(1) The president shall require bond from corporate employees with access  
23        to corporate funds or lottery funds, in such an amount as provided in the  
24        administrative regulations of the board.

25                (2) If the lottery receives a license pursuant to Chapter 10 of Title 27 of the  
26        Louisiana Revised Statutes of 1950, the president shall require a bond from  
27        employees with access to sports wagering accounts, in an amount as provided by the  
28        administrative regulations of the Gaming Control Board.

29                        \*        \*        \*

1 §9029. Deposit of revenues; expenditures and investments authorized; transfer of  
2 revenues to state treasury; dedication and use of proceeds; corporation  
3 operating account; audit of corporation books and records; audits

4 A.(1) All money received by the corporation from the sale of lottery tickets  
5 and all other sources except for monies from sports wagering operations as provided  
6 for in R.S. 47:9029, shall be deposited into a corporate operating account. Such  
7 account shall be established in a fiscal agent or depository as defined in R.S. 49:319  
8 and collateralized in the manner provided by R.S. 49:321 and 49:322. The  
9 corporation may use all money in the corporate operating account for the purposes  
10 of paying prizes and the necessary expenses of the corporation and dividends to the  
11 state. The corporation shall estimate and allocate the amount to be paid by the  
12 corporation to prize winners.

13 \* \* \*

14 §9050. Lottery retailers; selection; fees; suspension, revocation, or termination of  
15 contract; purchase or lease of on-line equipment; contracts not transferable  
16 or assignable; payment of prize; sales tax exemption

17 A.(1) The legislature hereby recognizes that to conduct a successful lottery,  
18 the corporation must develop and maintain a statewide network of lottery retailers  
19 that will serve the public convenience and promote the sale of tickets, while insuring  
20 the integrity of the lottery operations, games, and activities.

21 (2) In the event the lottery receives a sports wagering license pursuant to  
22 Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950, the provisions of  
23 this Chapter shall not apply to any sports wagering retail establishments. In addition,  
24 sports wagering retail establishments shall not be considered lottery retailers.

25 \* \* \*

26 §9082. State tax; levy

27 A. There is hereby levied a forty percent tax upon the net gaming proceeds  
28 of an operator from sports wagering offered by the Louisiana Lottery Corporation  
29 to consumers within this state.

1           B. The division shall collect the taxes imposed or assessed pursuant to  
2           Subsection (A) of this Section.

3           C. All taxes collected by the division pursuant to this Section, shall be  
4           forwarded upon receipt to the state treasurer for immediate deposit into the state  
5           treasury. Funds deposited into the treasury shall first be credited to the Bond Security  
6           and Redemption Fund in accordance with Article VII, Section 9(B) of the  
7           Constitution of Louisiana.

8           D. After complying with the provisions of Subsection C of this Section, each  
9           fiscal year, the state treasurer shall disburse the avails of the taxes levied pursuant  
10          to Subsection A of this Section as follows:

11           (1) The Louisiana Lottery Corporation shall retain the first one hundred  
12          thousand dollars of avails for the purposes of administering sports wagering.

13           (2) The next five hundred thousand dollars shall be deposited into the Sports  
14          Wagering Enforcement Fund as established in R.S. 27:628.

15           (3) The remaining avails shall be disbursed as follows:

16           (a) Ninety-five percent shall be credited to the Developmental Disability  
17          Services Subfund provided for in R.S. 39:100.61(D).

18           (b) Five percent shall be remitted, by proportionate distribution, to each  
19          parish governing authority in which the taxable conduct occurred.

20          §9083. Sports wagering monies; disposition

21           All sports wagering proceeds collected by the Louisiana Lottery Corporation  
22          shall be deposited into the Developmental Disability Services Subfund provided for  
23          in R.S. 39:100.61(D).

24          Section 4. This Act shall become effective upon signature by the governor or, if not  
25          signed by the governor, upon expiration of the time for bills to become law without signature  
26          by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
27          vetoed by the governor and subsequently approved by the legislature, this Act shall become  
28          effective on the day following such approval.



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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 628 Original

2021 Regular Session

Stefanski

**Abstract:** Provides for sports wagering gaming, levies a tax on net gaming proceeds, creates license and permit fees and provides for the disposition of the monies.

Present law provides for the authority of the Louisiana Gaming Control Board (the board) to regulate all gaming activities and operations in the state.

Proposed law adds regulatory authority for the board for gaming activities and operations as authorized by the Sports Wagering Act.

Present law requires manufacturers of slot machines and video poker devices to obtain a permit from the board and provides for an annual permit fee of \$15,000. Proposed law adds manufacturers of sports wagering mechanisms.

Present law requires gaming suppliers who supply, sell, lease, or repair, or contract to supply, sell, lease, or repair gaming devices, equipment, and supplies to certain gaming operators to obtain a permit from the board and provides for an annual permit fee of \$3,000. Proposed law adds gaming suppliers for sports wagering operators.

Present law requires non-gaming suppliers who furnish services and good to certain gaming operators to obtain a permit from the board and provides for an annual permit fee of \$250. Proposed law adds non-gaming suppliers for sports wagering operators.

Present law requires key and non-key gaming permits for employees of certain gaming operations to obtain a permit from the board. Proposed law adds employees of sports wagering operators to obtain these permits.

Proposed law defines the following terms: board, distributor, division, license, mobile application, net gaming proceeds, operator, permit, permittee, person, retail establishment, sports event, sports wagering, sports wager, sports wagering platform, and sports wagering service provider.

Proposed law creates a sports wagering licensing fee. Further provides that the initial application fee shall be \$1 million with a five-year license fee of \$500,000.

Proposed law creates a sports wagering platform provider permit fee. Further provides that the initial application fee shall be \$100,000 with a five-year license fee of \$50,000.

Proposed law creates a sports wagering service provider permit fee. Further provides that the initial application fee shall be \$50,000 with a five-year license fee of \$25,000.

Proposed law creates a sports wagering distributor permit fee. Further provides that the initial application fee shall be \$5,000 with a five-year license fee of \$2,500.

Proposed law creates the Sports Wagering Enforcement Fund as a special fund in the state treasury and provides for the fees from sports wagering licenses, platform provider permits, service provider permits, and distributor permits established in proposed law to be deposited into the fund.

Proposed law provides that monies in the fund shall be withdrawn only pursuant to an appropriation by the legislature and used solely for the expenses of the Dept. of Public Safety and Corrections and the Dept. of Justice, including regulatory, administrative, investigative, enforcement, legal, and such other expenses as may be necessary to carry out the provisions of proposed law and the rules of the board

Proposed law levies a 15% tax on net gaming proceeds of a licensee or operator from sports wagering offered to consumers within the state at a licensed sports wagering establishment.

Proposed law levies a 30% tax on net gaming proceeds of a licensee or operator from sports wagering offered to consumers within the state through a mobile app.

Proposed law levies a 40% tax on the net gaming proceeds of an operation from sports wagering offered by the La. Lottery Corporation to consumers within La. Further provides that the division collect the taxes imposed.

Proposed law provides that the avails of the taxes levied on sports wagering conducted by the La. Lottery Corporation are disbursed as follows:

- (1) The Louisiana Lottery Corporation shall retain the \$100,000 of avails for the purposes of administering sports wagering.
- (2) The next \$500,000 shall be deposited into the Sports Wagering Enforcement Fund.
- (3) The remaining avails shall be disbursed as follows:
  - (a) 95% of the remaining avails shall be credited to the Developmental Disability Services Subfund.
  - (b) 5% of the remaining avails shall be remitted, by proportionate distribution, to each parish governing authority in which the taxable conduct occurred.

Proposed law provides all sports wagering proceeds collected by the Louisiana Lottery Corporation are to be deposited into the Developmental Disability Services Subfund.

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

(Adds CITE)