
DIGEST

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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)