

2022 Regular Session

SENATE BILL NO. 290

BY SENATOR CORTEZ

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

1 AN ACT

2 To amend and reenact the introductory paragraph of R.S. 27:27.1(C) and (1), (3), and (8),

3 (D)(1), (3), and (4), (E), (F), (J), the introductory paragraph of (L), and (M), 627, and

4 628(B) and to enact R.S. 27:603.1, relative to sports wagering; to specifically include

5 operators and electronic wagering in compulsive and problem gambling programs;

6 to add certain parties to the exception from liability for certain disclosure of

7 information; to provide for general powers and duties of state police; to allow the

8 division of a licensee's promotional play credit between platforms; to provide a

9 method of proportionate distribution of revenue dedicated to local government; and

10 to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. The introductory paragraph of R.S. 27:27.1(C) and (1), (3), and (8),

13 (D)(1), (3), and (4), (E), (F), (J), the introductory paragraph of (L), and (M), 627, and 628(B)

14 are hereby amended and reenacted and R.S. 27:603.1 is hereby enacted to read as follows:

15 §27.1. Uniform compulsive and problem gambling program

16 \* \* \*

17 C. Within one hundred twenty days from the adoption of the rules provided

1 for in Subsection B of this Section, each holder of a license **and operator** as defined  
2 in R.S. 27:44, 353, and 602, and the casino gaming operator shall submit for  
3 approval to the board a comprehensive program that provides policies and  
4 procedures that, at a minimum, shall cover the following areas of concern and are  
5 designed to:

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

10 \* \* \*

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

14 \* \* \*

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

20 \* \* \*

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

28 \* \* \*

29 (3) The rules shall establish procedures for the transmittal ~~to all gaming~~

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

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

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

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

1 R.S. 28:842.

2 \* \* \*

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

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

14 \* \* \*

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

20 \* \* \*

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

26 \* \* \*

27 **§603.1. General powers and duties of the division**

28 **A. In addition to the responsibilities and tasks referred in R.S. 27:603(B),**  
29 **the division may employ all necessary personnel for the investigation and**

1 enforcement of the laws, rules, and regulations relative to sports wagering  
2 activities.

3 B. The division and its agents may:

4 (1) Inspect and examine all premises wherein gaming activities are  
5 conducted or gaming devices or equipment are manufactured, sold, or  
6 distributed. Such inspection and examination of the premises wherein gaming  
7 activities are conducted shall take place both during the construction of a  
8 facility and thereafter.

9 (2) Inspect all gaming equipment and gaming supplies.

10 (3) Summarily seize and remove and impound any gaming devices,  
11 equipment, gaming documents, information, or gaming supplies for the purpose  
12 of examination and inspection.

13 (4) Initiate actions for violations of this Chapter or of rules of the board  
14 or the division and defend appeals therefrom.

15 (5) Demand access to inspect, examine, photocopy, and audit all papers,  
16 books, and records of licensees and permittees.

17 (6) For the purpose of conducting audits after the cessation of gaming by  
18 a licensee or permittee, the former licensee or permittee shall furnish, upon  
19 demand of the division, books, papers, and records as necessary to conduct the  
20 audits. The former licensee or permittee shall maintain all books, papers, and  
21 records necessary for audits for a period of three years after the date of the  
22 expiration or cancellation of gaming activities.

23 (7) In enforcing the provisions of this Chapter:

24 (a) Deny an application.

25 (b) Limit or restrict a license or a permit.

26 (c) Suspend or revoke a license or a permit.

27 (d) Issue any order deemed necessary to carry out the intent of this  
28 Chapter.

29 (e) Impose a penalty on a person licensed or permitted or previously

1 approved.

2 (8) Issue subpoenas and compel attendance of witnesses; administer  
3 oaths; require testimony under oath before the division in the course of an  
4 investigation or a hearing; and punish, as contempt, the failure to obey its  
5 orders. Appeal of an action by the division holding a person in contempt shall  
6 be to the Nineteenth Judicial District Court.

7 (9) Issue written interrogatories.

8 (10) Issue an emergency order for not more than ten days:

9 (a) Suspending, limiting, or conditioning a license or permit.

10 (b) Requiring a licensee to keep an individual from the licensed premises.

11 (c) Prohibiting payment for services rendered.

12 (d) Prohibiting payment of profits, income, or accruals, on investment  
13 in the licensee, permittee, or its operations.

14 (11) Conduct investigative hearings concerning the conduct of gaming  
15 and gaming operations.

16 C.(1) In considering appropriate sanctions in a particular case under the  
17 provisions of this Chapter, the division may consider the following:

18 (a) The risk to the public and the integrity of gaming operations created  
19 by the conduct of the licensee or permittee.

20 (b) The seriousness of the conduct of the licensee or permittee and  
21 whether the conduct was purposeful and with knowledge that the conduct was  
22 in violation of this Chapter.

23 (c) A justification or an excuse for the conduct by the licensee or  
24 permittee.

25 (d) The history of the licensee or permittee involved with respect to  
26 gaming activity.

27 (e) The corrective action taken by the licensee or permittee to prevent  
28 similar misconduct from occurring in the future.

29 (2) In the case of a fine, the amount of the fine in relation to the severity

1 **of the misconduct and the financial means of the licensee or permittee.**

2 \* \* \*

3 §627. Promotional play

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

7 **B.** Eligible promotional play shall not exceed an amount of five million  
8 dollars per calendar year. **On and after January 1, 2023, eligible promotional play**  
9 **shall not exceed an amount of five hundred thousand dollars per calendar year.**

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

12 ~~B. Notwithstanding the provisions provided by Subsection A of this Section~~  
13 ~~in the event a licensee pools its wagers with other Louisiana sports wagering~~  
14 ~~licensees, the maximum amount of eligible promotional play shall apply per pool,~~  
15 ~~and the amount of eligible promotional play per participating licensee shall be~~  
16 ~~allocated in accordance with an agreement among licensees participating in the pool.~~  
17 ~~Pooling and the corresponding agreement among the licensees shall be subject to the~~  
18 ~~approval of the board.~~

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

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

23 **(2) Notwithstanding Paragraph (1) of this Subsection, on and after**  
24 **January 1, 2023, a licensee may allocate, by contract, all or a portion of its**  
25 **eligible promotional play to its contracted sports wagering platform provider.**  
26 **In no event shall the combined eligible promotional play claimed by a sports**  
27 **wagering licensee and its contracted sports wagering platform provider exceed**  
28 **the total maximum amount of eligible promotional play per licensee as provided**  
29 **in this Section.**

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

§628. Sports Wagering Local Allocation Fund

\*       \*       \*

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

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

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

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	DIGEST	
SB 290 Original	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 the gaming division of the office of state police shall, at all times considered appropriate by the board, be charged with inspecting and ensuring compliance with all the requirements of the sports wagering law and may be charged by the board with any other tasks deemed necessary to the regulation of sports wagering.

Proposed law further authorizes the division to employ all necessary personnel for the investigation and enforcement of the laws, rules, and regulations and to:

- (1) Inspect and examine all premises wherein gaming activities are conducted or gaming devices or equipment are manufactured, sold, or distributed.
- (2) Inspect all gaming equipment and gaming supplies.
- (3) Summarily seize and remove and impound any gaming devices, equipment, gaming documents, information, or gaming supplies for the purpose of examination and inspection.
- (4) Initiate actions for violations of present law or of rules of the board or the division and defend appeals therefrom.
- (5) Demand access to inspect, examine, photocopy, and audit all papers, books, and records of licensees and permittees.
- (6) For the purpose of conducting audits after the cessation of gaming by a licensee or permittee, require the former licensee or permittee to furnish, upon demand of the division, books, papers, and records as necessary to conduct the audits. Requires a former licensee or permittee to maintain all books, papers, and records necessary for audits for a period of three years after the date of the expiration or cancellation of gaming activities.
- (7) In enforcing the provisions of present law: (a) deny an application; (b) limit or restrict a license or a permit; (c) suspend or revoke a license or a permit; (d) issue any orders deemed necessary to carry out the intent of present law; and (e) impose a penalty on a person licensed or permitted or previously approved.
- (8) Issue subpoenas and compel the attendance of witnesses; administer oaths; require testimony under oath before the division in the course of an investigation or a hearing; and punish, as contempt, the failure to obey its orders.
- (9) Issue written interrogatories.
- (10) Issue an emergency order for not more than 10 days: (a) suspending, limiting, or conditioning a license or permit; (b) requiring a licensee to keep an individual from the licensed premises; (c) prohibiting payment for services rendered; or (d) prohibiting payment of profits, income, or accruals on investment in the licensee, permittee, or its operations.

- (11) Conduct investigative hearings concerning the conduct of gaming and gaming operations.

Proposed law provides factors for the division to consider in determining appropriate sanctions in a particular case.

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 provides that on and after Jan. 1, 2023, eligible promotional play shall be \$500,000 per calendar year per licensee and on and after Jan. 1, 2023, a licensee may allocate, by contract, all or a portion of its eligible promotional play to its contracted sports wagering platform provider. Provides that the combined eligible promotional play claimed by a sports wagering licensee and its contracted sports wagering platform provider shall not exceed \$500,000 per year.

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); adds R.S. 27:603.1)