### SLS 23RS-282

#### ENGROSSED

2023 Regular Session

SENATE BILL NO. 160

BY SENATOR CORTEZ

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

HORSE RACING. Provides relative to the powers and duties of the Louisiana Racing Commission. (7/1/23)

1	AN ACT
2	To amend and reenact R.S. 4:147 and 164(C)(1), and R.S. 27:361(E)(3)(a), relative to the
3	Louisiana State Racing Commission; to provide for powers and duties; to provide for
4	rulemaking authority and prohibitions; to provide for a facility maintenance and
5	improvement fund; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 4:147 and $164(C)(1)$ are hereby amended and reenacted to read as
8	follows:
9	§147. Specific duties of commission
10	A. The commission shall carry out the provisions of this Part, including the
11	following specific duties:
12	(1)(a) To assign the dates race meetings may be conducted in this state at a
13	particular track, including dates which limit racing at a particular track for quarter
14	horses only, provided that:
15	(i) It shall prohibit the conducting of any thoroughbred race meetings having
16	the same or overlapping dates for such race meetings at thoroughbred race tracks
17	within a radius of one hundred miles of each other.

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1	(ii) It shall prohibit the conducting of any exclusively quarter horse race
2	meetings having the same or overlapping dates for such race meetings at any other
3	exclusively quarter horse track within a radius of one hundred miles of each other.
4	(b) To set the minimum number of live races required per race day at a
5	particular track.
6	(2)(a) The commission shall $\underline{To}$ appoint three stewards to serve each day of
7	each race meeting conducted under the provisions of this Part. One of the stewards
8	shall be appointed by the commission to represent the Louisiana State Racing
9	Commission and shall be designated as the state steward who shall upon appointment
10	be residing in the state.
11	(b) The amount to be paid by the commission to the state steward as
12	compensation for his services shall be at least the same amount paid to the two
13	stewards appointed to represent an association, and the association shall reimburse
14	the commission in an amount equal to the amount paid by it to the state steward as
15	his compensation, as aforesaid, which amount shall be considered an additional fee
16	due the state by an association for the privileges granted in its license.
17	(c) Two of the stewards shall be nominated by the association conducting a
18	race meeting under the provisions of this Part and, prior to serving as such, shall be
19	approved and appointed by the commission. The amounts to be paid these two
20	stewards as compensation for their services shall be paid by the association
21	nominating them, which amounts shall also be considered an additional fee due the
22	state by an association for the privileges granted in its license.
23	(d) The commission may appoint other stewards to be compensated by it and
24	assign to each such duties as are consistent with this Part; however, such other
25	stewards shall not serve as a steward in the stewards stand during any race meeting
26	conducted under the provisions of this Part, except with the written consent of the
27	association conducting such race meeting.
28	(e) The commission shall be required to show just cause for not appointing
29	any racing official submitted to it for its approval.

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1	(3) To make an annual report to the governor of its operation, its own actions
2	and rulings, and the receipts derived under the provisions of this Part; and to offer
3	such practical suggestions as it deems proper to accomplish more fully the purposes
4	of this Part.
5	(4) To require of each applicant seeking a license to operate a race meeting
6	an application setting forth:
7	(a) The full name of the person, and if a corporation the name of the state
8	under which it is incorporated, and the names of the corporation's agents for the
9	service of process within Louisiana.
10	(b) If an association or corporation, the names of the stockholders and
11	directors of the corporation or the names of the members of the association.
12	(c) The exact location where it is desired to conduct or hold a racing meet.
13	(d) Whether or not the racing plant is owned or leased, and if leased the name
14	and address of the owner, or if the owner is a corporation, the names of its directors
15	and shareholders. However, nothing in this Part prevents any person from applying
16	to the commission for a permit to conduct races where the racing plant has not yet
17	been constructed.
18	(e) A statement of the assets and liabilities of the person applying for a
19	license.
20	(f) The kind of racing to be conducted and the dates requested.
21	(g) Such other information as the commission may require.
22	(5) To require an oath of every applicant, by the person or executive officer
23	of the association or corporation, stating that the information contained in the
24	application is true.
25	(6) To make rules and regulations for the holding, conducting, and operating
26	of all race tracks, race meets, and races held in Louisiana, provided such regulations
27	are uniform in their application and effect.
28	(7) Make To make rules and regulations providing for minimum standards
29	and infrastructure investments required for each association regarding facility

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1	maintenance and facility improvements including but not limited to track surface,		
2	barns, grandstands, and paddocks in order for the association or licensee to conduct		
3	race meets at a particular track.		
4	(8) Make To make rules and regulations providing for minimum full-time		
5	and seasonal employment requirements including but not limited to food service,		
6	marketing, recommendations for pari-mutuel windows, and kiosk repair staffing		
7	in order for the association or licensee to conduct race meets at a particular track.		
8	(9) To make rules and regulations applicable to offtrack wagering facility		
9	licensees for pari-mutuel wagering that occurs in a sports book lounge of an entity		
10	licensed by the Louisiana Gaming Control Board to conduct sports wagering		
11	pursuant to Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950.		
12	<b>B.</b> The commission shall not make rules regarding the operation or hours		
13	of operation of a racetrack other than matters necessary to the holding of such		
14	race meetings and pari-mutuel wagering.		
15	* * *		
16	§164. Facility maintenance and improvement fund		
17	* * *		
18	C.(1) After July 1, 2023 If an association is found not to be in compliance		
19	with the minimum standards and infrastructure investments by the date set by		
20	the commission for compliance, ten percent of gross profits shall be deposited into		
21	the fund, up to a maximum of three million dollars, until such time that all		
22	commission-required facility maintenance and improvements have been completed		
23	as determined by the commission. Such deposits shall be made at the same time as		
24	the state tax is paid.		
25	* * *		
26	Section 2. R.S. $27:361(E)(3)(a)$ is hereby amended and reenacted to read as follows:		
27	§361. Conduct of slot machine gaming; temporary conduct		
28	* * *		
29	E.(1) * * *		

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1	(3)(a) Notwithstanding Paragraph (1) of this Subsection, upon notification
2	from the Louisiana State Racing Commission that the licensed eligible facility is not
3	in compliance with R.S. 4:164 but is cooperating with the commission and working
4	towards compliance, the board may grant or renew a license pursuant to Paragraph
5	(1) of this Subsection or for a probationary period not to exceed one year. Barring
6	extenuating circumstances as determined by the board, the probationary period shall
7	not be extended beyond one year. After the probationary period, the board shall
8	either grant or renew the license pursuant to Paragraph (1) of this Subsection for the
9	remainder of the term or revoke the license. to be determined by the board.
10	* * *
11	Section 3. This Act shall become effective on July 1, 2023; if vetoed by the governor
12	and subsequently approved by the legislature, this Act shall become effective on the day
13	following such approval by the legislature or July 1, 2023, whichever is later.

The original instrument was prepared by Alan Miller. The following digest, which does not constitute a part of the legislative instrument, was prepared by Michelle D. Ridge.

	DIGEST	
SB 160 Engrossed	2023 Regular Session	Cortez

Present law provides for specific duties of the Louisiana State Racing Commission (LSRC).

<u>Present law</u> provides that one duty is for the LSRC to make rules and regulations providing for minimum full-time and seasonal employment requirements including but not limited to food services, marketing, pari-mutuel windows, and kiosk repair staffing in order for the association or licensee to conduct race meets at a particular track.

<u>Proposed law</u> changes the <u>present law</u> duty to provide for rule making for full-time and seasonal employment recommendations for pari-mutuel windows and kiosk repair staffing in order for the association or licensee to conduct race meets at a particular track.

<u>Proposed law</u> retains <u>present law</u>, but also prohibits the LSRC from making rules regarding the operation or hours of operation of a racetrack other than matters necessary to the holding of such race meetings and pari-mutuel wagering.

<u>Present law</u> requires that, after July 1, 2023, each association (operator of a live horse racing track) shall deposit 10% of their gross profits into a facility maintenance fund established by the association to pay for all LSRC-required facility maintenance and improvements and that such deposits shall continue until LSRC finds the association in compliance with the facility maintenance and improvement investments. Provides that the deposits shall be made at the same time as the state tax is paid. Provides that once the initial facility maintenance and improvements are completed to the satisfaction of LSRC, each association shall continue to maintain a minimum fund balance of \$3M in the account. Provides that for an association that is in compliance with LSRC's minimum standards and infrastructure investments, the

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LSRC may by a 2/3 vote exempt an association making deposits, maintaining a minimum fund balance, or allow the balance to be withdrawn or reduced.

<u>Proposed law</u> changes <u>present law</u> to require the deposit of 10% of gross profits only if the association is found by LSRC not to be in compliance with the minimum standards and infrastructure investments and provides that, in those instances, the deposits are capped at \$3M.

<u>Present law</u> provides that a license from the La. Gaming Control Board (LGCB) to conduct slot machine gaming at a race track shall be for a 5-year term and any renewals are for 5-year terms. <u>Present law</u> provides an exception in instances where the LSRC notifies LGCB that it has determined that its licensed live racing track is not in compliance with LSRC standards on facility maintenance and improvements. Allows the LGCB to grant or renew a license for a probationary period not to exceed one year. Provides that, barring extenuating circumstances, the probationary period shall not be extended beyond one year and after the probationary period, LGCB shall either grant or renew the license or revoke it.

<u>Proposed law</u> changes the exception to provide that, in such instances of an LSRC's determination of an applicant's noncompliance with LSRC standards, the LGCB may grant or renew the license for a 5-year term or for a probationary period to be determined by LGCB.

Effective July 1, 2023.

(Amends R.S. 4:147 and 164(C)(1), and R.S. 27:361(E)(3)(a))

#### Summary of Amendments Adopted by Senate

# Committee Amendments Proposed by Senate Committee on Judiciary B to the original bill

1. Changes a duty of the racing commission to require the commission to make rules providing for full-time and seasonal employment recommendations for pari-mutuel windows and kiosk repair staffing in order for the association or licensee to conduct race meets at a particular track.