

## CONFERENCE COMMITTEE REPORT DIGEST

House Bill No. 2480 by Representative Perkins

### Digest of Bill as Finally Passed by the House

Perkins

HB No. 2480

Proposed law creates the crime of gambling by computer.

Proposed law further provides definitions for clients, computers, computer networks, services, software and systems, home pages, the Internet, servers, and the World Wide Web.

Proposed law defines gambling by computer as the intentional conducting, or directly assisting in the conducting of any game, contest, lottery, or contrivance whereby a person risks the loss of anything of value in order to realize a profit using any computer, computer system, computer network, computer software, or any server accessing the Internet, World Wide Web, or any part thereof.

Proposed law further provides a penalty of gambling by computer of a fine of not more than \$500 or imprisonment for not more than six months, or both.

Proposed law provides a penalty for anyone who designs, develops, manages, supervises, maintains, provides or produces any computer services, computer system, computer network, computer software, or any server providing a Home Page, Web Site or any other product accessing the Internet, World Wide Web, or any part thereof offering to any client the conducting of any game, contest, lottery, or contrivance whereby a person risks the loss of anything of value in order to realize a profit of a fine of not more than \$20,000, or imprisonment with or without hard labor, for not more than five years, or both.

Proposed law creates exceptions for gaming activities or operations on riverboats, at the land-based casino, on video draw poker devices, by charitable gaming licensees, or at pari-mutuel wagering facilities, so long as the wagering is done on the premises of the licensed establishment, and further specifies that the conducting or assisting in conducting of pari-mutuel wagering at licensed racing facilities shall not be considered gambling by computer.

(Adds R.S. 14:90.3)

### Summary of Amendments Adopted by the Senate

#### Committee Amendments Proposed by Senate Committee on Judiciary C to the reengrossed bill.

1. Provides that pari-mutuel wagering done on the premises of licensed racing facilities shall not be considered gambling by computer.

#### Senate Floor Amendments to the Reengrossed Bill.

1. Adds language regulating gambling advertising and providing

that certain gambling advertising must contain the warning "GAMBLING CAN BE ADDICTIVE"

2. Adds effective date of January 1, 1998 for gambling advertising requirements.
3. Adds provision that gambling by computer be conducted as a business in order to be a criminal activity.
4. Excepts from the crime of gambling by computer the conducting a state lottery.
5. Excepts from the crime of gambling by computer the purchase, sale, exchange, or other transaction related to stocks, bonds, futures, options, commodities, or other similar instruments.
6. Provides that the exception from the crime of gambling by computer for pari-mutuel wagering at licensed racing facilities is applicable only so long as the wagering is done on the licensed premises.

Digest of Bill as Proposed by Conference Committee

The bill as proposed by the conference committee is the same as the bill as passed by the Senate with the following additions:

1. Removes all language pertaining to the regulation of gambling advertising which would have provided that certain gambling advertising contain the wording "GAMBLING CAN BE ADDICTIVE"
2. Requires that a designer of computer software or services must be doing so with primary purpose of conducting as a business gambling in order to be criminally prosecuted.
3. Creates an exception to criminal prosecution for telephone companies, Internet Service Providers, software developers, licensors, or other parties providing computer services to customers in the normal course of their business as long as their primary purpose in providing such service is not to conduct gambling as a business.
4. Changes definition of gambling by computer to only include activities involving access to the Internet, World Wide Web, or any part thereof.