

2016 Regular Session

HOUSE BILL NO. 276

BY REPRESENTATIVE RICHARD

FUNDS/FUNDING: (Constitutional Amendment) Creates the Bet on Louisiana's Future Fund for the deposit of certain gaming proceeds

A JOINT RESOLUTION

Proposing to amend Article XII, Section 6(A)(1) and to add Article VII, Section 10.15 of the Constitution of Louisiana, relative to gaming funds; to establish the Bet on Louisiana's Future Fund; to redirect lottery proceeds to such fund; to provide sources of revenue and to provide for deposit and uses of monies in the fund; to provide an effective date; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to add Article VII, Section 10.15 of the Constitution of Louisiana, to read as follows:

§10.15. Bet on Louisiana's Future Fund

Section 10.15.(A) The Bet on Louisiana's Future Fund, hereinafter referred to as the "fund", is hereby established in the state treasury as a special fund to provide a dedicated, recurring source of revenue to improve Louisiana's future.

(B)(1) The required monies to be deposited into the fund shall include fees, fines, net gaming revenues or proceeds, payments, taxes, and other monies generated from the following activities:

(a) Any game of chance approved by the Louisiana Lottery Corporation.

1 (b) Casino gaming activities or operations offered or conducted at or in an
2 official gaming establishment by virtue of a contract let or bid by the Louisiana
3 Economic Development and Gaming Corporation.

4 (c) Gaming activities or operations, including racehorse wagering, conducted
5 upon a riverboat, except admission fees levied by a local governing authority.

6 (d) Slot machine gaming activities or operations authorized by the Louisiana
7 Gaming Control Board at facilities licensed to conduct live horse racing, except local
8 taxes imposed thereon.

9 (e) Any card game utilizing a video draw poker device that plays or
10 simulates the play of the game of draw poker or other card games, except funds
11 directed to the office of the district attorney or to governing authorities of
12 municipalities or parishes in which video draw poker devices are operated.

13 (f) Offtrack wagering conducted at offtrack wagering facilities licensed by
14 the Louisiana State Racing Commission.

15 (2) Other monies which may be deposited into this fund may include grants,
16 gifts, and donations received by the state for the purposes of this Section, any other
17 revenues as may be provided by law, or monies which may be appropriated by the
18 legislature.

19 (C) After compliance with the requirements of Article VII, Section 9(B) of
20 this constitution relative to the Bond Security and Redemption Fund, and prior to
21 monies being placed in the state general fund, an amount equal to deposits into the
22 state treasury from the foregoing sources shall be deposited in and credited to the
23 fund.

24 (D) Beginning Fiscal Year 2017-2018 and each fiscal year thereafter, monies
25 in the fund shall be subject to deposit or appropriation in accordance with this
26 Paragraph but not in the same calendar year in which they are received.

27 (1) Seventy-five percent of monies in the fund shall be used exclusively for
28 education and shall not displace, replace, or supplant appropriations from the general
29 fund for elementary and secondary education, including implementation of the

1 Minimum Foundation Program, nor displace, replace, or supplant funding for higher
2 education or community and technical colleges. Monies deposited pursuant to the
3 provisions of this Subparagraph shall be allocated as follows:

4 (a) Seventy percent to be appropriated to the following for the exclusive
5 support of public elementary and secondary education:

6 (i) The Minimum Foundation Program.

7 (ii) Support Education in Louisiana First (SELF) Fund.

8 (b) Fifteen percent shall be appropriated to the following for the exclusive
9 support of public postsecondary education under the supervision and management
10 of the Board of Supervisors for the University of Louisiana System, the Board of
11 Supervisors of Louisiana State University and Agricultural and Mechanical College,
12 or the Board of Supervisors of Southern University and Agricultural and Mechanical
13 College:

14 (i) The Taylor Opportunity Program for Students (TOPS).

15 (ii) Support Education in Louisiana First (SELF) Fund.

16 (iii) Institutions and programs.

17 (c) Fifteen percent shall be appropriated to the following for the exclusive
18 support of public postsecondary education under the supervision and management
19 of the Board of Supervisors of Community and Technical Colleges.

20 (i) The Taylor Opportunity Program for Students (TOPS).

21 (ii) Support Education in Louisiana First (SELF) Fund.

22 (iii) Institutions and programs.

23 (2) Twenty-five percent of monies in the fund shall be allocated as follows:

24 (a) Eighty percent shall be appropriated to provide for payments against the
25 unfunded accrued liability of the public retirement systems which shall be in addition
26 to any payments required for the annual amortization of the unfunded accrued
27 liability of the public retirement systems, as required by Article X, Section
28 29(E)(2)(c) of this constitution; however, any such payments to the public retirement

1 systems shall not be used, directly or indirectly, to fund cost-of-living increases for
2 such systems.

3 (b) Of the remaining twenty percent of monies appropriated pursuant to the
4 provisions of this Subparagraph, the first one million dollars shall be credited to the
5 Compulsive and Problem Gaming Fund. Any remaining funds may be appropriated
6 for regulatory, administrative, investigative, enforcement, legal, and other expenses
7 to carry out the duties, relating to gaming operations, of each of the following:

8 (i) Louisiana Gaming Control Board.

9 (ii) Louisiana State Racing Commission.

10 (iii) Office of state police, Department of Public Safety and Corrections.

11 (iv) Department of Justice.

12 (E) All unexpended and unencumbered monies remaining in the fund at the
13 end of the fiscal year shall remain in the fund. The monies in the fund shall be
14 invested by the state treasurer in the same manner as monies in the state general
15 fund.

16 Section 2. Be it resolved by the Legislature of Louisiana, two-thirds of the members
17 elected to each house concurring, that there shall be submitted to the electors of the state of
18 Louisiana, for their approval or rejection in the manner provided by law, a proposal to
19 amend Article XII, Section 6(A)(1) of the Constitution of Louisiana, to read as follows:

20 §6. Lotteries; Gaming, Gambling, or Wagering

21 Section 6.(A) Lotteries. (1) The legislature may provide for the creation and
22 operation of a state lottery and may create a special corporation for that purpose
23 whose employees shall not be subject to state civil service. The net proceeds from
24 the operation of the lottery shall be deposited in a special fund created in the state
25 treasury entitled the ~~Lottery Proceeds~~ Bet on Louisiana's Future Fund. ~~Amounts~~
26 ~~deposited in the fund shall not be appropriated for expenditure in the same calendar~~
27 ~~year in which they are received. The legislature shall annually appropriate from the~~
28 ~~fund only for the purposes of the minimum foundation program and no more than~~

1 ~~five hundred thousand dollars for services related to compulsive and problem gaming~~
2 ~~as may be provided by law.~~

3 * * *

4 Section 3. Be it further resolved that this proposed amendment shall be submitted
5 to the electors of the state of Louisiana at the statewide election to be held on November 8,
6 2016.

7 Section 4. Be it further resolved that on the official ballot to be used at the election,
8 there shall be printed a proposition, upon which the electors of the state shall be permitted
9 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
10 follows:

11 Do you support an amendment to require gaming proceeds, including lottery
12 revenue exclusive of local admission fees, local gaming taxes, and funds
13 directed to district attorneys and local governing authorities to be deposited
14 into the Bet on Louisiana's Future Fund and allocated for support of public
15 elementary and secondary education, higher education, community and
16 technical colleges, reduction of the debt on public retirement systems, and
17 gaming enforcement and regulation? (Amends Article XII, Section 6(A)(1);
18 Adds Article VII, Section 10.15)

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)]

HB 276 Original

2016 Regular Session

Richard

Abstract: Requires gaming proceeds be deposited into a new constitutional fund, the Bet on Louisiana's Future Fund, and provides for the allocation of monies from this fund to the MFP, the SELF fund, TOPS, Louisiana Community and Technical College System, the UAL, and gaming enforcement and regulation.

Present constitution requires net lottery proceeds be deposited into the Lottery Proceeds Fund for subsequent appropriation to the Minimum Foundation Program (MFP), except for \$500,000 dedicated to services related to compulsive and problem gaming.

Proposed constitutional amendment directs fees, fines, net gaming revenues, and taxes from the state lottery, casino, riverboat gaming (except boarding fees), slot machine gaming (except local taxes), video draw poker (except funds directed to the district attorney's office

or to the local governing authority in which video draw poker devices are operated), and offtrack wagering to the Bet on Louisiana's Future Fund.

Proposed constitutional amendment, beginning FY 2017-2018, requires allocation of these gaming funds as follows: 52.5% to public elementary and secondary education, 11.5% to higher education, and 11.5% to community and technical colleges including the MFP, TOPS, and the SELF fund. Additional allocations include 15% to the UAL and 5% for gaming enforcement and regulation.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 8, 2016.

(Amends Const. Art. XII, §6(A)(1); Adds Const. Art. VII, §10.15)