
DIGEST

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HB 498 Engrossed

2019 Regular Session

Abramson

Abstract: Authorizes an 11% state tax on net gaming proceeds from sports wagering and dedicates the avails of the tax to the state general fund and the Early Childhood Education Fund. Authorizes parish governing authorities to levy a tax not to exceed 4% on the net gaming proceeds from sports wagering offered in their district.

Present federal law overturned the 1992 Professional and Amateur Sports Protection Act, a federal prohibition on professional and amateur single-game sports wagering on May 14, 2018, in the U.S. Supreme Court case *Murphy, Governor of New Jersey v. National Collegiate Athletic Association*. As a result, states are allowed to legalize and regulate sports wagering.

Present constitution prohibits a law authorizing a new form of gaming, gambling, or wagering to be conducted in a parish unless a referendum election on the issue is held in a parish and the proposition is approved by a majority of voters.

Proposed law levies an 11% state tax on the net gaming proceeds of sports wagering conducted in the state and provides for the avails of the tax to go to the La. Early Childhood Education Fund.

Proposed law provides that 1% of the net gaming proceeds of sports wagering gaming, not to exceed \$100,000 annually, shall be credited to the Compulsive and Problem Gaming Fund.

Proposed law provides for a \$5,000 sports wagering gaming license or permit fee.

Proposed law authorizes parish governing authorities to levy a tax not to exceed 4% on the net gaming proceeds from sports wagering offered in their district.

Proposed law requires the tax levied on sports wagering to be collected by the division in the office of state police, which provides investigatory, regulatory, and enforcement services to the La. Gaming Control Board in the implementation, administration, and enforcement of gaming laws, rules, and regulations.

Proposed law authorizes the legislature to appropriate funds necessary for the Dept. of Public Safety and Corrections and the Dept. of Justice to administer, regulate, investigate, and enforce laws related to sports wagering gaming.

Proposed law requires all monies to be collected monthly and further provides that when net gaming proceeds for a month are negative, the licensee or operator shall be allowed to carry over the negative

amounts to returns filed for subsequent months.

The effectiveness of proposed law is contingent on a statewide vote authorizing sports wagering gaming in particular parishes.

(Adds R.S. 27:601-603)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Increase the amount of the state tax levied from 8% to 11% of the net gaming proceeds of sports wagering gaming.
2. Provide that 1%, not to exceed \$100,000, of the net gaming proceeds of sports wagering shall be deposited into the Compulsive and Problem Gaming Fund.
3. Authorize the legislature to appropriate funds to the Dept. of Public Safety and Corrections and the Dept. of Justice in order to regulate, administer, investigate, and enforce laws related to sports wagering gaming.