

2020 First Extraordinary Session

SENATE CONCURRENT RESOLUTION NO. 29

BY SENATOR JOHNS AND REPRESENTATIVE BISHOP

GAMING. Requests the Louisiana Gaming Control Board to report on the fiscal impact of the promotional play exception to the definitions of net gaming proceeds, gross revenue, and net slot machine proceeds.

1 A CONCURRENT RESOLUTION
2 To urge and request the Louisiana Gaming Control Board to report on the fiscal impact of
3 the promotional play exception to the definitions of net gaming proceeds, gross
4 revenue, and net slot machines proceeds.

5 WHEREAS, Senate Bill No. 5 of the 2021 First Extraordinary Session of the
6 legislature addresses Louisiana's policy anomaly of including in the formula for taxation for
7 license and franchise fees, direct payments, and other state taxes, the licensee's own dollars
8 that are distributed to patrons in the form of promotional play vouchers, chips, coupons, or
9 credits without an exchange of money; and

10 WHEREAS, it is generally known that the COVID-19 pandemic and the guidelines
11 of social distancing have had a profound effect on this industry, and consequently on the
12 taxes generated in Louisiana by riverboat gaming, land based casino gaming, and slot
13 machine gaming at racetracks; and

14 WHEREAS, promotional play is proven to be one of the most effective marketing
15 tools for the gaming industry, and particularly our neighboring state gaming establishments,
16 heavily engage this tool to drive patrons to their establishments in their efforts to grow their
17 revenue; and

18 WHEREAS, unlike our neighboring states, Louisiana's taxing of a licensee's own

1 dollars distributed to patrons in the form of promotional play creates a disincentive to using
2 this marketing tool by Louisiana licensees; and

3 WHEREAS, according to testimony before Senate Committee on Judiciary B, Senate
4 Committee on Revenue and Fiscal Affairs, and the House Committee on Ways and Means,
5 state policy that does not discourage the use of promotional play will greatly assist Louisiana
6 licensees in growing gaming revenue and ultimately increasing the amount of taxes
7 generated by their industry; and

8 WHEREAS, it is helpful and responsible for policymakers to allow the change in
9 definitions to be fully implemented and gather data over time to assess its effect on state
10 taxes generated.

11 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
12 urge and request that in the event Senate Bill No. 5 is enacted and becomes law, the
13 Louisiana Gaming Control Board is to report on the state fiscal impact of the promotional
14 play exception to the definitions of net gaming proceeds, gross revenue, and net slot
15 machines proceeds.

16 BE IT FURTHER RESOLVED that such report shall use data from state Fiscal Years
17 2021, 2022, and 2023, as well as prior fiscal years to assess the overall fiscal impact of the
18 change in definitions to tax revenues and state payments generated from riverboat gaming,
19 land based casino gaming, and slot machine gaming at racetracks.

20 BE IT FURTHER RESOLVED that the report shall be submitted to the Senate
21 Committee on Judiciary B, the Senate Committee on Revenue and Fiscal Affairs, the House
22 Committee on the Administration of Criminal Justice, and the House Committee on Ways
23 and Means no later than January 1, 2024.

24 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
25 Louisiana Gaming Control Board.

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

DIGEST

SCR 29 Engrossed

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Johns

Requests the Louisiana Gaming Control Board report on the state fiscal impact of the promotional play exception to the definitions of net gaming proceeds, gross revenue, and net slot machines proceeds.