

2021 Regular Session

SENATE BILL NO. 142

BY SENATORS WARD, CORTEZ AND JOHNS

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

GAMING. Provides for the disposition of funds generated by sports wagering. (gov sig)

1 AN ACT

2 To enact R.S. 4:199, R.S. 27:625(G) and R.S. 28:843, relative to sports wagering; to provide  
3 relative to revenue generated from sports wagering; to provide for appropriation; to  
4 create the Behavioral Health and Wellness Fund; to create the Sports Wagering Purse  
5 Supplemental Fund; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 27:625(G) is hereby enacted to read as follows:

8 §625. State tax; levy

9 \* \* \*

10 **G. After complying with the provisions of Subsection D of this Section,**  
11 **each fiscal year the state treasurer shall credit the following amounts to the**  
12 **following funds:**

13 **(1) One percent of the monies collected pursuant to this Section shall be**  
14 **credited to the Behavioral Health and Wellness Fund established by R.S.**  
15 **28:843.**

16 **(2) Twenty percent of the monies collected pursuant to this Section, not**  
17 **to exceed ten million dollars, shall be credited to the Louisiana Early Childhood**

1 Education Fund established by R.S. 17:407.30.

2 (3) Ten percent of the monies collected pursuant to this Section shall be  
3 remitted, by proportionate distribution, to each parish governing authority in  
4 which the taxable conduct occurred.

5 (4) One percent to the Sports Wagering Purse Supplemental Fund  
6 established by R.S. 4:199. Monies in the Sports Gaming Purse Supplement  
7 Fund shall only be withdrawn pursuant to an appropriation by the legislature  
8 and monies shall be appropriated to the Louisiana State Racing Commission  
9 solely for the uses and in proportion provided in R.S. 4:199.

10 (5) Any remaining funds shall be available as state general funds.

11 Section 2. R.S. 4:199 is hereby enacted to read as follows:

12 §199. Sports Wagering Purse Supplemental Fund; creation

13 A. There is hereby created in the state treasury a special fund to be  
14 known as the Sports Wagering Supplemental Fund, hereafter referred to in this  
15 Section as "fund".

16 B. Any appropriation by the legislature to the Louisiana State Racing  
17 Commission from the fund shall be utilized to supplement purses as provided  
18 in this Section.

19 C. Monies in the fund shall be invested by the state treasurer in the same  
20 manner as monies in the state general fund. Interest earned on the investments  
21 of monies in the fund shall be deposited in and credited to the fund. Unexpended  
22 and unencumbered monies in the fund at the end of the fiscal year shall remain  
23 in the fund.

24 D. Monies in the fund shall only be withdrawn pursuant to an  
25 appropriation by the legislature solely to implement the provisions of this  
26 Section.

27 E. Each fiscal year, the commission shall allocate any appropriations  
28 received pursuant to R.S. 27:625(G)(4) as follows:

29 (1) Two-thirds of the funds appropriated to the commission pursuant to

1 this Paragraph shall be allocated and provided to the licensed racing  
2 associations in the state which conduct live horse racing on the basis of the  
3 proportion of the number of thoroughbred race days each association  
4 conducted for the preceding year bears to the total number of thoroughbred  
5 race days conducted statewide for the preceding year, and such funds shall be  
6 used solely to supplement purses in accordance with a schedule or formula  
7 established by the purse committee of the Louisiana Thoroughbred Breeders  
8 Association on Louisiana-bred thoroughbred races.

9 (2) One-third of the funds appropriated to the commission pursuant to  
10 this Paragraph shall be allocated and provided to the licensed racing  
11 associations in the state which conduct live horse racing on the basis of the  
12 proportion of the number of quarter horse race days each association conducted  
13 for the preceding year bears to the total number of quarter horse race days  
14 conducted statewide for the preceding year, and such funds shall be used solely  
15 to supplement purses in accordance with a schedule or formula established by  
16 the purse committee of the Louisiana Quarter Horse Breeders Association on  
17 Louisiana-bred quarter horse races.

18 Section 3. R.S. 28:843 is hereby enacted to read as follows:

19 §843. Behavioral Health and Wellness Fund; creation

20 A. There is hereby created in the state treasury a special fund to be  
21 known as the Behavioral Health and Wellness Fund, hereafter referred to in  
22 this Section as "fund".

23 B. Any appropriations, public or private grants, gifts, or donations  
24 received by the state or by the Department of Health or its office of behavioral  
25 health or human services districts for the purposes of this Chapter shall be  
26 utilized to support and invest in intensive and comprehensive treatment  
27 facilities for individuals with compulsive and problem gambling addictions.

28 C. Monies in the fund shall be invested by the state treasurer in the same  
29 manner as monies in the state general fund. Interest earned on the investments

1           of monies in the fund shall be deposited in and credited to the fund. Unexpended  
 2           and unencumbered monies in the fund at the end of the fiscal year shall remain  
 3           in the fund.

4           D. Monies in the fund shall only be withdrawn pursuant to an  
 5           appropriation by the legislature solely to implement the provisions of this  
 6           Chapter.

7           Section 4. This Act shall become effective upon signature by the governor or, if not  
 8           signed by the governor, upon expiration of the time for bills to become law without signature  
 9           by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 10          vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 11          effective on the day following such approval.

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The original instrument was prepared by Alan Miller. The following digest,  
 which does not constitute a part of the legislative instrument, was prepared  
 by Dawn Romero Watson.

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DIGEST

SB 142 Reengrossed

2021 Regular Session

Ward

Present law provides that the La. Gaming Control Board has all regulatory authority, control, and jurisdiction, including investigation, licensing, and enforcement, and all power incidental or necessary to such regulatory authority, control, and jurisdiction over all aspects of sports wagering activities and operations in the parishes in which the voters affirmatively authorized the legalization of sports wagering as a result of the proposition election held on November 3, 2020.

Proposed law (House Bill No. 697 of the 2021 Regular Session) levies a 10% tax on net gaming proceeds for sports wagering when the wager is placed in person or via a sports wagering mechanism and a 15% tax on net gaming proceeds for sports wagering when the wager is placed via a website or mobile application. Provides that taxes are due on the 20th day of the month for net gaming proceeds generated by a licensee in the previous month. Allows a licensee to carry over a negative number to the return of a subsequent month, but prohibits an amount to be carried over in any period more than 12 months after the month in which the amount carried over was originally due.

Proposed law provides that after complying with proposed law regarding the crediting of the taxes to the Bond Security and Redemption Fund, the state treasurer shall credit the following amounts to the following funds:

- (1) One percent to the Behavioral Health and Wellness Fund.
- (2) Twenty percent, not to exceed \$10M, to the Louisiana Early Childhood Education Fund.
- (3) Ten percent to each parish governing authority where the taxable conduct occurred, by proportionate distribution.

- (4) One percent to the Sports Wagering Purse Supplemental Fund.
- (5) Balance (68%) to state general fund.

Proposed law created in the state treasury a special fund to be known as the Sports Wagering Purse Supplemental Fund. Provides that any appropriation by the legislature to the Louisiana State Racing Commission from the fund shall be utilized to supplement purses. Provides that each fiscal year, the Louisiana State Racing Commission shall allocate any appropriations received from sports wagering taxes as follows:

- (1) Two-thirds of the funds appropriated shall be allocated and provided to the four race tracks on the basis of the proportion of the number of thoroughbred race days each association conducted for the preceding year bears to the total number of thoroughbred race days conducted statewide for the preceding year. Provides that the funds shall be used solely to supplement purses in accordance with a schedule or formula established by the purse committee of the Louisiana Thoroughbred Breeders Association on Louisiana-bred thoroughbred races.
- (2) One-third of the funds appropriated shall be allocated and provided to the four race tracks on the basis of the proportion of the number of quarter horse race days each association conducted for the preceding year bears to the total number of quarter horse race days conducted statewide for the preceding year, and such funds shall be used solely to supplement purses in accordance with a schedule or formula established by the purse committee of the Louisiana Quarter Horse Breeders Association on Louisiana-bred quarter horse races.

Proposed law creates the Behavioral Health and Wellness Fund in the state treasury. Provides that any appropriations, public or private grants, gifts, or donations received by the state or by the Department of Health or its office of behavioral health or human services districts for the purposes of gambling disorders shall be utilized to support and invest in intensive and comprehensive treatment facilities for individuals with compulsive and problem gambling addictions. Provides that monies in the fund shall only be withdrawn pursuant to an appropriation by the legislature solely to implement the provisions of proposed law.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 4:199, R.S. 27:625(G) and R.S. 28:843)

#### Summary of Amendments Adopted by Senate

##### Senate Floor Amendments to engrossed bill

1. Added provisions regarding distribution of tax avails.
2. Creates special funds.