

CONFERENCE COMMITTEE REPORT

SB 142

2021 Regular Session

Ward

June 10, 2021

To the Honorable President and Members of the Senate and to the Honorable Speaker and Members of the House of Representatives.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning Senate Bill No. 142 by Senator Ward, recommend the following concerning the Reengrossed bill:

1. Of the set of House Committee Amendments (# 3873) proposed by the House Committee on Appropriations and adopted by the House of Representatives on June 7, 2021, Amendment Nos. 1 through 4 and Amendment Nos. 6 through 11, be adopted.
2. Of the set of House Committee Amendments (# 3873) proposed by the House Committee on Appropriations and adopted by the House of Representatives on June 7, 2021, Amendment No. 5, be rejected.
3. That the set of the House Floor Amendments (# 3912) proposed by Representative Stefanski and adopted by the House of Representatives on June 9, 2021, be adopted.
4. Of the set of the House Floor Amendments (# 4019) proposed by Representative Lyons and adopted by the House of Representatives on June 9, 2021, Amendment Nos. 1 and 2, be adopted.
5. Of the set of the House Floor Amendments (# 4019) proposed by Representative Lyons and adopted by the House of Representatives on June 9, 2021, Amendment No 3, be rejected.
6. That the following amendments to the reengrossed bill be adopted:

AMENDMENT NO. 1

On page 1, line 17, change "ten" to "twenty"

AMENDMENT NO. 2

On page 2, line 5, after "(4)" delete the remainder of the line and insert "**Two and one-half percent of the monies collected pursuant to this Section shall be credited to the Sports Wagering Purse Supplement Fund**"

AMENDMENT NO. 3

On page 2, delete line 10 in its entirety and insert the following:

"(5) Two percent of the monies collected pursuant to this Section, not to exceed five hundred thousand dollars, shall be credited to the Disability Affairs Trust Fund established by R.S. 46:2583.

(6) Any remaining funds shall be available as state general funds."

Respectfully submitted,

Senators:

Representatives:

Senator Patrick Page Cortez

Representative Clay Schexnayder

Senator Rick Ward III

Representative Jerome "Zee" Zeringue

Senator Gary L. Smith Jr.

Representative John M. Stefanski

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

CONFERENCE COMMITTEE REPORT DIGEST

SB 142

2021 Regular Session

Ward

Keyword and summary of the bill as proposed by the Conference Committee

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

Report adopts House amendments to:

1. Increases the percentage credited to the Behavioral Health and Wellness Fund from 1% to 2%, or \$500,000, whichever is greater.
2. Increases the percentage credited to the La. Early Childhood Education Fund from 20% to 25%.
3. Provides for 10% of monies to the Sports Wagering Local Allocation Fund, created in proposed law.
4. Provides for 2% of monies to the Disability Affairs Trust Fund.
5. Provides for deposit of monies into the Behavioral Health and Wellness Fund under proposed law except for monies deposited into the Compulsive and Problem Gaming Fund.
6. Makes technical changes.

Report rejects House amendments which would have:

1. Made technical corrections to Sports Wagering Purse Supplement Fund.
2. Provided greater than \$500,000 to the Disability Affairs Trust Fund.

Report amends the bill to:

1. Raise the cap on the 25% for Louisiana Early Childhood Education from \$10M to \$20M.
2. Raise the percentage to the Sports Wagering Purse Supplement Fund from 1% to 2.5% and make technical corrections to allocation and name of fund.
3. Limits appropriation to the Disability Affairs Trust Fund to \$500,000.

Digest of the bill as proposed by the Conference Committee

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.

Present law (Act 80 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) Two percent to the Behavioral Health and Wellness Fund, or \$500,000, whichever is greater.
- (2) Twenty-five percent, not to exceed \$20M, to the Louisiana Early Childhood Education Fund.
- (3) Ten percent of monies collected shall be credited to the Sports Wagering Local Allocation Fund.
- (4) Two and one-half percent to the Sports Wagering Purse Supplement Fund.
- (5) Two percent of monies collected, up to \$500,000, shall be credited to the Disability Affairs Trust Fund.
- (6) Balance to the state general fund.

Proposed law creates the Sports Wagering Local Allocation Fund as a special fund in the state treasury.

Proposed law creates in the state treasury a special fund to be known as the Sports Wagering Purse Supplement Fund. Provides that any appropriation by the legislature to the La. State Racing Commission from the fund shall be utilized to supplement purses. Provides that each fiscal year, the La. 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 La. 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 La. 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, except for monies deposited into the Compulsive and Problem Gaming Fund, shall be credited to the fund. Provides that monies in the fund 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 628, and R.S. 28:843)