

2022 Regular Session

HOUSE BILL NO. 693

BY REPRESENTATIVE STEFANSKI

GAMING: Provides relative to institutional investors

1 AN ACT

2 To amend and reenact R.S. 27:3(13)(i) and 27(A)(introductory paragraph) and (1), relative
3 to the Gaming Control Law; to provide relative to the definition of "institutional
4 investors"; to provide relative to the criteria for suitability for institutional investors;
5 to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 27:3(13)(i) and 27(A)(introductory paragraph) and (1) are hereby
8 amended and reenacted to read as follows:

9 §3. Definitions

10 For the purposes of this Title, the following terms have the following
11 meanings, unless the context clearly indicates otherwise:

12 * * *

13 (13) "Institutional investor" means a person that is:

14 * * *

15 (i) Any other ~~regulated investor as the board may determine in its sole~~
16 ~~discretion consistent with the provisions of this Title~~ person the board may determine
17 in its sole discretion consistent with the provisions of this Title, provided the person
18 does not exercise control over the licensee, directly or indirectly, and that his interest
19 is for investment purposes only.

20 * * *

1 §27. Institutional investors or institutional lenders

2 A. An institutional investor otherwise required to be found suitable or
3 qualified pursuant to the provisions of this Title and the rules adopted pursuant
4 thereto shall be presumed suitable or qualified upon submitting documentation
5 sufficient to establish qualifications as an institutional investor as defined in R.S.
6 27:3, and upon certifying ~~that~~ all of the following criteria:

7 (1) It meets any of the following:

8 (a) ~~owns~~ Owns, holds, or controls publicly traded securities issued by a
9 licensee, permittee or holding, intermediate or parent company of a licensee or
10 permittee in the ordinary course of business for investment purposes only.

11 (b) Is a plan or trust established and maintained by the United States
12 Government, a state, or a political subdivision of a state that owns, holds, or controls
13 equity in a licensee, permittee, or holding, intermediate or parent company or a
14 licensee or permittee in the ordinary course of business for investment purposes only.

15 (c) Has been approved by the board pursuant to R.S. 27:3(13)(i) and owns,
16 holds, or controls equity in a licensee, permittee, or holding, intermediate or parent
17 company or a licensee or permittee in the ordinary course of business for investment
18 purposes only.

19 * * *

20 Section 2. This Act shall become effective on July 1, 2022; if vetoed by the governor
21 and subsequently approved by the legislature, this Act shall become effective on July 1,
22 2022, or on the day following such approval by the legislature, whichever is later.

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 693 Reengrossed 2022 Regular Session Stefanski

Abstract: Provides relative to the definition of "institutional investor" and provides relative to the criteria for institutional investors.

Present law (R.S. 27:3(13)) provides for the definition of "institutional investor", which includes any other regulated investor as the La. Gaming Control Bd. (board) may determine in its sole discretion consistent with the provisions of present law.

Proposed law amends the present law definition of "institutional investor" to include any other person the board may determine in its sole discretion consistent with the provisions of present law, provided the person does not exercise control over the licensee, directly or indirectly, and that his interest is for investment purposes only.

Present law (R.S. 27:27(A)) provides that an institutional investor found suitable or qualified pursuant to present law and the rules adopted pursuant to shall be presumed suitable or qualified upon submitting documentation sufficient to establish qualifications as an institutional investor, and upon certifying that:

- (1) It owns, holds, or controls publicly traded securities issued by a licensee, permittee or holding, intermediate or parent company of a licensee or permittee in the ordinary course of business for investment purposes only.
- (2) It does not exercise influence over the affairs of the issuer of such securities nor over any licensed or permitted subsidiary of the issuer of such securities.
- (3) It does not intend to exercise influence over the affairs of the issuer of such securities, nor over any licensed or permitted subsidiary of the issuer of such securities, in the future, and that it agrees to notify the board in writing within thirty days if such intent should change.

Proposed law amends (1) in the above present law to provide that an institutional investor certifies that it meets any of the following:

- (a) Owns, holds, or controls publicly traded securities issued by a licensee, permittee or holding, intermediate or parent company of a licensee or permittee in the ordinary course of business for investment purposes only.
- (b) Is a plan or trust established and maintained by the United States Government, a state, or a political subdivision of a state that owns, holds, or controls equity in a licensee, permittee, or holding, intermediate or parent company or a licensee or permittee in the ordinary course of business for investment purposes only.
- (c) Has been approved by the board pursuant to present law (R.S. 27:3(13)(i)) and owns, holds, or controls equity in a licensee, permittee, or holding, intermediate or parent company or a licensee or permittee in the ordinary course of business for investment purposes only.

Effective July 1, 2022.

(Amends R.S. 27:3(13)(i) and 27(A)(intro. para.) and (1))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Make technical corrections.