

SENATE COMMITTEE AMENDMENTS

2022 Regular Session

Amendments proposed by Senate Committee on Judiciary B to Original Senate Bill No. 272 by Senator Cortez

1 AMENDMENT NO. 1

2 On page 1, line 2, after "R.S." delete "4:214(G) and (L)," and insert "4:149, 211, 213, and  
3 214 and R.S. 27:602(13) and to enact R.S. 4:147(7), 215(D), and 228(H) and R.S.  
4 27:602(18.1), 607(H), and 629,"

5 AMENDMENT NO. 2

6 On page 1, line 3, after "facilities;" insert "to authorize pari-mutuel wagering in a sports  
7 book lounge of certain licensed entities as offtrack wagering facilities; to require certain  
8 agreements or plans of operations; to provide for required terms of the agreement or plan and  
9 approval; to provide for requirements and exceptions;"

10 AMENDMENT NO. 3

11 On page 1, delete line 6, and insert "Section 1. R.S. 4:149, 211, 213, and 214 are hereby  
12 amended and reenacted and R.S. 4:147(7), 215(D), and 228(H) are hereby enacted to read  
13 as"

14 AMENDMENT NO. 4

15 On page 1, between lines 7 and 8 insert:

16 §147. Specific duties of commission  
17 The commission shall carry out the provisions of this Part, including  
18 the following specific duties:

19 \* \* \*

20 **(7) To make rules and regulations for pari-mutuel wagering in a**  
21 **sports book lounge of a host entity licensed by the Louisiana Gaming**  
22 **Control Board to conduct sports wagering pursuant to Chapter 10 of**  
23 **Title 27 of the Louisiana Revised Statutes of 1950.**

24 \* \* \*

25 §149. Wagering; rules and regulations

26 **A.** The commission may prescribe rules and regulations under which  
27 shall be conducted all horse races upon the results of which there is  
28 wagering. The commission shall, as may be necessary, prescribe additional  
29 special rules and regulations applicable separately to thoroughbreds and  
30 quarter horses. The commission shall make rules governing, permitting, and  
31 regulating the wagering on horse races under the form of mutuel wagering  
32 by patrons, known as pari-mutuel wagering, whether on live or historical  
33 horse races. Only those persons receiving a license from the commission may  
34 conduct this type of wagering, and shall restrict this form of wagering to a  
35 space within the race meeting grounds or an offtrack wagering facility. All  
36 other forms of wagering on the result of horse races are illegal.

37 **B. Notwithstanding the space restriction provided in Subsection**  
38 **A of this Section, pari-mutuel wagering on the result of horse races may**  
39 **also be conducted in the sports book lounge of a host entity licensed for**  
40 **sports wagering by the Louisiana Gaming Control Board pursuant to**  
41 **Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950,**  
42 **provided the requirements of this Chapter are met.**

43 \* \* \*

44 §211. Definitions

45 Unless the context indicates otherwise, the following terms shall have  
46 the meaning ascribed to them below:

1 (1) "Audited net profits" means the total commissions retained  
 2 by an association on pari-mutual wagers placed at a specific offtrack  
 3 wagering facility, less direct costs, breakage, settlements, and taxes  
 4 applicable to such wagers.

5 (2) "Eligible applicants" means the primary licensee fulfilling the  
 6 licensure criteria described in this Part.

7 (2) (3) "Exotic wagers" or "exotic wagering pools" include all  
 8 pari-mutuel pools except the win, place, or show pools conducted at each  
 9 race meeting in the state. Examples of exotic wagering pools in common  
 10 usage are daily double pools, exacta pools, trifecta pools, twin trifecta pools,  
 11 pick-six pools, and quinella pools.

12 (3) (4) "Host entity" means an entity licensed by the Louisiana  
 13 Gaming Control Board to conduct sport wagering in its sports book  
 14 lounge in accordance with Chapter 10 of Title 27 of the Louisiana  
 15 Revised Statutes of 1950; however, it shall not include an entity that is  
 16 also the holder of a license as defined in R.S. 27:353 and provided for in  
 17 Chapter 7 of Title 27 of the Louisiana Revised Statutes of 1950.

18 (5) "Host track" means the Louisiana track at which the race is run.

19 (4) (6) "Net commission" means the commission retained by a  
 20 licensee on pari-mutuel wagers on historical horse races, less breakage,  
 21 settlements, and taxes applicable to such wagers.

22 (5) (7) "Offtrack wagering facility" means the licensed and authorized  
 23 location where offtrack wagers may be accepted.

24 (6) (8) "Pari-mutuel facility" means any pari-mutuel race track  
 25 conducting race meetings during the 1986-87 racing season and licensed  
 26 prior to the effective date of this Part **June 30, 1987.**

27 (7) (9) "Parish seat" means the facility, courthouse, meeting hall, etc.,  
 28 at which the parish governing authority meets on a regular basis in an official  
 29 capacity.

30 (8) (10) "Primary licensee" means the licensed association conducting  
 31 the majority of race days at a pari-mutuel facility.

32 \* \* \*

33 §213. Offtrack wagering facilities; establishment; **sports book lounge**

34 **A.** In addition to the rights granted in R.S. 4:149.2, any association  
 35 licensed by the commission may conduct pari-mutuel wagering and engage  
 36 in all necessary activities to establish appropriate offtrack wagering facilities  
 37 to accomplish this purpose. Such activities shall include, but not be limited  
 38 to:

- 39 (1) Live simulcast of races from the host track.
- 40 (2) Historical horse racing on the premises of offtrack wagering
- 41 facilities via dedicated machines or personal mobile devices.
- 42 (3) Construction or leasing of offtrack wagering facilities.
- 43 (4) Sale of goods and beverages.
- 44 (5) Advertising and promotion.
- 45 (6) All other related activities.

46 **B.(1)** In addition to Subsection A of this Section, any association  
 47 licensed by the commission may also conduct pari-mutuel wagering and  
 48 engage in necessary activities to establish appropriate offtrack wagering  
 49 in a sports book lounge of a host entity, provided that the sports book  
 50 lounge of the host entity is geographically located in a parish that has  
 51 approved, by public referendum, the conduct of pari-mutuel wagering  
 52 in that parish.

53 (2) The conduct of offtrack wagering in a sports book lounge  
 54 shall be pursuant to an agreement between the licensed association and  
 55 the host entity and the agreement shall be subject to approval by the  
 56 commission and by the Louisiana Gaming Control Board.

57 (3) The commission shall promulgate rules establishing the  
 58 regulations and conditions for the conduct of offtrack pari-mutuel  
 59 wagering in a sports book lounge of a host entity. The rules shall require  
 60 an agreement between the association licensed by the commission and  
 61 the host entity licensed for sports wagering by the Louisiana Gaming

Control Board and its retail sports wagering operator, if applicable. The agreement shall include but not be limited to the following terms:

(a) Pari-mutuel wagering shall be restricted to the host entity's retail sports book lounge.

(b) Pari-mutuel wagering shall be conducted in accordance with the provisions of this Chapter.

(c) All pari-mutuel wagers shall be maintained and accounted separate and distinct from all other sports wagers placed in the sports book lounge.

(d) The gaming division of the office of state police shall have access to all files, records, documents, film, tape, including surveillance tape, and any other information and personnel necessary to determine compliance with all gaming laws, rules, and regulations on gaming activities and operations under the commission's jurisdiction or the Louisiana Gaming Control Board's jurisdiction.

(e) In consideration for hosting, the association shall make compensation payments to the host entity of thirty percent of the audited net profits on the total amount wagered at its facility. The agreement shall specify the calculation and periodic payments.

(f) Unless otherwise provided by law, all commissions and fees and their distribution shall be as provided by this Chapter.

C.(1) A primary licensee that is also the holder of a license as defined in R.S. 27:353 and provided for in Chapter 7 of Title 27 of the Louisiana Revised Statutes of 1950, may conduct pari-mutuel wagering and engage in necessary activities to establish appropriate offtrack wagering in its retail sports book lounge.

(2) The conduct of offtrack wagering in a sports book lounge shall be pursuant to a plan of operation and the plan shall be subject to approval by the commission and by the Louisiana Gaming Control Board.

(3) The commission shall promulgate rules establishing the regulations and conditions for the conduct of offtrack pari-mutuel wagering in a sports book lounge of a holder of a license as defined in R.S. 27:353. The rules shall require the plan of operation to include but not be limited to the following provisions:

(a) Pari-mutuel wagering shall be conducted in accordance with the provisions of this Chapter.

(b) All pari-mutuel wagers placed in the sports book lounge shall be maintained and accounted separate and distinct from all other sports wagers placed in the sports book lounge.

(c) The gaming division of the office of state police shall have access to all files, records, documents, film, tape, including surveillance tape, and any other information and personnel necessary to determine compliance with all gaming laws, rules, and regulations on gaming activities and operations under the commission's jurisdiction or the Louisiana Gaming Control Board's jurisdiction."

AMENDMENT NO. 5

On page 1, delete lines 11 through 17, and on page 2, delete lines 1 through 7, and insert the following:

"A. License Except for offtrack wagering conducted in a sports book lounge, license approval shall be subject to the criteria established by R.S. 4:159.

B. Licensure for all offtrack wagering facilities shall be subject to the following conditions:

(1)(a) Only the primary licensee operating at a pari-mutuel facility may apply for a license to operate offtrack wagering facilities in this state and only such primary licensees shall be licensed to operate offtrack wagering facilities under this Part.

1                   **(b) A primary licensee applying for a license to operate an**  
 2 **offtrack wagering facility to be located in a sports book lounge of a host**  
 3 **entity shall provide its agreement with the host entity as part of its**  
 4 **application.**

5                   (2)(a)(i) Before a license is granted for an offtrack wagering facility  
 6 in any parish, the voters of that parish must have approved the establishment  
 7 of such a facility within the parish in a referendum election held for that  
 8 purpose. The commission shall request a referendum by the governing body  
 9 of a parish only after receipt of an application for licensure of an offtrack  
 10 wagering facility in that parish by the eligible applicant as provided in R.S.  
 11 4:215.

12                   (ii) If the referendum fails to gain voter approval, or if the  
 13 commission's request to the parish governing authority for a referendum is  
 14 not granted within six months of such request, then the request therefor is  
 15 rendered void.

16                   (iii) Any request for an offtrack referendum that is pending on the  
 17 effective date of this Subparagraph before the governing authority of a parish  
 18 wherein such a referendum has failed to gain voter approval in a prior  
 19 election shall be rendered void upon that date.

20                   (iv) Any request for an offtrack referendum that has been pending  
 21 before a parish governing authority for six months or more upon the effective  
 22 date of this Subparagraph shall be rendered void upon that date.

23                   (b)(i) After a request by the commission to a parish governing  
 24 authority for an offtrack referendum is voided for any reason, the original  
 25 applicant may either:

26                   (aa) Resubmit the application for licensure, and the commission shall  
 27 submit a new request for an offtrack referendum election to the parish  
 28 governing authority; or

29                   (bb) Submit a new application to the commission for licensure of an  
 30 offtrack wagering facility in any city, town, or municipality within the parish,  
 31 and the commission shall request the governing authority of such city, town,  
 32 or municipality to hold an offtrack referendum election.

33                   (ii) If the referendum fails to gain voter approval or if the  
 34 commission's request for a referendum is not granted within six months of  
 35 such request, the request therefor is rendered void.

36                   (iii) If the offtrack referendum gains voter approval, the commission  
 37 may license one offtrack wagering facility within the corporation limits of  
 38 the city, town, or municipality in which the referendum was held. Such  
 39 license must conform to all applicable licensing criteria as provided in this  
 40 Part.

41                   (c)(i) Except as provided in ~~R.S. 4:214(A)(2)(c)(ii)~~ **Item (ii) of this**  
 42 **Subparagraph**, the collection and distribution of license fees as provided in  
 43 R.S. 4:218 shall not be affected by this Paragraph.

44                   (ii) Notwithstanding any provision of R.S. 4:218 to the contrary **and**  
 45 **except for offtrack wagering conducted in a sports book lounge of a host**  
 46 **entity**, if an off-track wagering facility is located within the corporate limits  
 47 of a municipality as a result of a municipal off-track wagering referendum  
 48 as provided in this Paragraph, called by the municipal governing authority  
 49 without the assistance of the parish governing authority, the municipal  
 50 governing authority may impose a license fee not to exceed two percent of  
 51 the total amount wagered at that facility, and no license fee shall be imposed  
 52 by the parish, and the municipality shall retain the total license fees collected;  
 53 otherwise, distribution of the fees shall be in accordance with R.S. 4:218(B).

54                   (3)(a) A license shall not be granted to an offtrack wagering facility  
 55 to be located within a fifty-five mile radius of a pari-mutuel facility without  
 56 the prior written permission of the primary licensee of that facility.

57                   **(b) Subparagraph (a) of this Paragraph shall not apply to an**  
 58 **offtrack wagering facility located in a sports book lounge of a host entity.**

59                   (4)(a) Not more than two offtrack wagering facilities may be licensed  
 60 in any parish, except for Orleans and Jefferson.

1 (b) For the purposes of this Paragraph, a pari-mutuel facility as that  
 2 term is defined in R.S. 4:211 shall not be included in the count of licensed  
 3 offtrack wagering facilities for the parish in which it is located.

4 (c) For the purposes of this Paragraph, an offtrack wagering  
 5 facility located in the sports book lounge of a host entity shall not be  
 6 included in the count of licensed offtrack wagering facilities for the  
 7 parish in which it is located.

8 (5) ~~Final~~ Except for an offtrack wagering facility located in the  
 9 sports book lounge of a host entity, final license approval is subject to local  
 10 governing authority facility citing requirements.

11 (6) Each Except for an offtrack wagering facility located in the  
 12 sports book lounge of a host entity, each offtrack wagering facility shall be  
 13 specifically designed as an entertainment complex. Maximum allowable  
 14 attendance at each facility shall be one hundred twenty-five percent of the  
 15 seating capacity at that facility. At least one area for patrons at each offtrack  
 16 wagering facility shall be designated as a nonsmoking area.

17 (7) ~~No~~ Except for an offtrack wagering facility located in the  
 18 sports book lounge of a host entity, no person licensed by the commission  
 19 pursuant to the provisions of this Chapter who shows proof of licensure upon  
 20 entering an offtrack wagering facility shall be assessed any fees for  
 21 admission into the facility.

22 ~~B.C.~~(1) Licenses granted by the commission shall be valid for a  
 23 ten-year period. In the event of the sale of the pari-mutuel facility, such  
 24 license may be transferred and remain valid for the balance of the term of the  
 25 license. If the conditions of the sale do not include the transfer of the offtrack  
 26 wagering facility license, such license shall be automatically voided upon the  
 27 completion of the sale.

28 (2) In the event a primary licensee is granted approval by the  
 29 Louisiana State Racing Commission to transfer its live racing dates to  
 30 another pari-mutuel facility, such primary licensee shall retain all the rights,  
 31 privileges, and obligations relative to offtrack wagering facilities as provided  
 32 in this Part as though it remained a primary licensee, as defined in R.S.  
 33 4:211(7), in its original location.

34 ~~E.D.~~ License applications shall be accompanied by a good faith  
 35 deposit of one thousand dollars.

36 ~~D.E.~~ All primary licensees are eligible for licensure at their existing  
 37 horse racing facilities as offtrack wagering facilities. Such primary licensees  
 38 shall not be subject to the licensing requirements in R.S. 4:214(A)(2)  
 39 Paragraph (B)(2) of this Section.

40 ~~E.F.~~ There shall be no penalty for closing a licensed offtrack  
 41 wagering facility provided the licensee submits written notice to the  
 42 commission at least thirty days prior to closure. The commission shall notify  
 43 all eligible applicants of the notice of closure. Ownership of an offtrack  
 44 wagering facility may be transferred to other eligible applicants subject to all  
 45 licensing requirements except as provided in R.S. 4:214(A)(2) Paragraph  
 46 (B)(2) of this Section.

47 ~~F.G.~~ Nothing in this Part shall be construed as preventing licensees  
 48 from jointly owning or contracting for the management of any or all licensed  
 49 offtrack wagering facilities.

50 ~~G. In no case may~~ H. An offtrack wagering facilities facility shall  
 51 not accept wagers on races run at any track without a contract with the  
 52 licensee operating the host track. This contract shall include all terms and  
 53 conditions for use of races run at the host track by the offtrack wagering  
 54 facility, including compensation of the host track for such use. This contract  
 55 shall be filed with the commission. No host track may deny the use of its  
 56 races by any other offtrack wagering facility in Louisiana under the same  
 57 terms and conditions.

58 ~~H. In no case shall an~~ I.(1) An offtrack wagering facility shall not  
 59 allow the admission of any person less than eighteen years old. However, the  
 60 provisions of this Paragraph shall not apply to any offtrack wagering facility  
 61 located on the premises of a pari-mutuel facility as defined in R.S. 4:211(5).

1                   **(2) An offtrack wagering facility located in a sports book lounge**  
 2                   **shall not allow the admission of any person less than twenty-one years**  
 3                   **old.**

4                   ~~I.~~ **J. Except for an offtrack wagering facility located in the**  
 5                   **sports book lounge of a host entity, in** addition to license fees, each  
 6                   licensee shall pay the fees provided for in this Subsection. Each licensee shall  
 7                   begin paying the fees on the first day of the second year in which the licensee  
 8                   operates the facility. The licensee shall pay to the collector twenty-five cents  
 9                   for each person attending the offtrack wagering facility other than licensed  
 10                  personnel, employees, officials, and working press. These payments shall be  
 11                  made at the conclusion of each calendar week and shall be accompanied by  
 12                  a report under oath showing the total contributions and admissions, and any  
 13                  other information which the commission may require.

14                  ~~J.~~ **K.**(1) Should the commission suspend or revoke the license of a  
 15                  primary licensee, the licensee may, within ten days of the notification of the  
 16                  commission's decision take a suspensive appeal to the district court having  
 17                  jurisdiction over the licensee's offtrack wagering facility. The appeal shall be  
 18                  filed in the district court in the same manner as an original suit is instituted  
 19                  thereon. Each appeal shall be tried de novo. Either party may amend and  
 20                  supplement his pleadings and additional witnesses may be called and heard.

21                  (2) Within ten calendar days of the signing of the judgment by the  
 22                  district court in any such appeal case, the commission or the applicant for a  
 23                  license or licensee, as the case may be, may suspensively appeal the  
 24                  judgment to the appellate court of proper jurisdiction. The appeal shall be  
 25                  perfected in the manner provided for in civil cases and shall be suspensive  
 26                  or devolutive in the discretion of the court.

27                  (3) All proceedings in the district and appellate courts arising under  
 28                  this Part are civil in nature and shall be heard summarily by the court,  
 29                  without a jury, shall take precedence over other civil cases, and shall be tried  
 30                  in chambers or in open court, and in or out of term.

31                  ~~K.~~ **L.** (1) No primary licensee may operate more than five offtrack  
 32                  wagering facilities in which historical horse racing is permitted.

33                  (2) Notwithstanding Paragraph (1) of this Subsection, any primary  
 34                  licensee that operates more than five offtrack wagering facilities as of July  
 35                  1, 2021, may conduct historical horse racing at all of its licensed facilities.  
 36                  However, historical horse racing shall not be authorized at any future offtrack  
 37                  wagering facility for that primary licensee if the primary licensee is operating  
 38                  more than five offtrack wagering facilities. If any of the primary licensee's  
 39                  existing licensed offtrack wagering facilities on July 1, 2021, cease to be a  
 40                  licensed offtrack wagering facility for reasons other than force majeure, the  
 41                  number of offtrack wagering facilities allowed to conduct historical horse  
 42                  racing for that primary licensee shall be reduced by the number of its offtrack  
 43                  wagering facilities that cease to be licensed until such time as the primary  
 44                  licensee is reduced to no more than five licensed offtrack wagering facilities  
 45                  allowed to conduct historical horse racing.

46                  (3) Each primary licensee or licensed offtrack wagering facility shall  
 47                  not place more than fifty historical horse racing machines into service at any  
 48                  given time.

49                  (4) In addition to the requirements of Paragraph (3) of this  
 50                  Subsection, an application from an eligible facility to conduct historical horse  
 51                  racing in Orleans Parish may be approved by the commission only after the  
 52                  Amended and Renegotiated Casino Operating Contract entered into pursuant  
 53                  to R.S. 27:201 et seq., on October 30, 1998, as amended, is amended to  
 54                  provide that the conducting of historical horse racing at the eligible facility  
 55                  in Orleans Parish shall not constitute an exclusivity violation or prohibited  
 56                  land-based gaming as defined in such contract and such amendment to the  
 57                  contract is approved by the Joint Legislative Committee on the Budget as  
 58                  required by the provisions of Section 3.B of Act No. 1 of the 2001 First  
 59                  Extraordinary Session of the Legislature.

1 ~~E. No historical~~ **M.(1) Historical** horse racing may **shall not** be  
2 conducted via a machine or website or mobile application beyond the  
3 property of the pari-mutuel facility or offtrack wagering facility.

4 **(2) No historical horse racing shall be conducted at an offtrack**  
5 **wagering facility located in the sports book lounge of a host entity.**

6 **(3) The commission shall promulgate rules relative to the**  
7 **enforcement of this restriction the restrictions provided for in this**  
8 **Subsection.**

9 \* \* \*

10 §215. Offtrack wagering facilities, ownership

11 \* \* \*

12 **D. The provisions of this Section shall not apply to an offtrack**  
13 **wagering facility located in the sports book lounge of a host entity.**

14 \* \* \*

15 §228. Offtrack wagering facility locations; prohibited distances; prohibited  
16 structures

17 \* \* \*

18 **H. The provisions of this Section shall not apply to an offtrack**  
19 **wagering facility located in the sports book lounge of a host entity.**

20 Section 2. R.S. 27:602(13) is hereby amended and reenacted and R.S.  
21 27:602(18.1), 607(H), and 629 are hereby enacted to read as follows:

22 §602. Definitions

23 For purposes of this Chapter, the following terms shall have the  
24 following meanings ascribed to them unless the context clearly indicates  
25 otherwise:

26 \* \* \*

27 (13) "Net gaming proceeds" means the amount equal to the total gross  
28 revenue of all wagers placed by patrons less the total amount of all winnings  
29 paid out to patrons and the amount of eligible promotional play determined  
30 pursuant to R.S. 27:627. **"Net gaming proceeds" shall not include wagers**  
31 **placed by patrons on racehorse wagering, or winnings paid out to**  
32 **patrons on racehorse wagering.**

33 \* \* \*

34 **(18.1) "Racehorse wagering" means wagers placed on horse**  
35 **racing conducted under the pari-mutuel form of wagering at licensed**  
36 **racing facilities that are accepted in accordance with the provisions of**  
37 **Chapter 4 of Title 4 of the Louisiana Revised Statutes of 1950, and an**  
38 **approved agreement between the licensee and the association licensed by**  
39 **the Louisiana State Racing Commission to conduct pari-mutuel**  
40 **wagering in a sports book lounge.**

41 \* \* \*

42 §607. Operators; sports lounge required; responsibilities; pooling

43 \* \* \*

44 **H.(1) A licensee and its retail sports wagering operator may**  
45 **contract with a primary licensee of the Louisiana State Racing**  
46 **Association as defined in R.S. 4:211 to conduct racehorse wagering in its**  
47 **sports book lounge provided the licensee and its retail sports wagering**  
48 **operator have an approved agreement with a primary licensee as**  
49 **provided in R.S. 4:213(B).**

50 **(2) A licensee who is a primary licensee and also the holder of a**  
51 **license as defined in R.S. 27:353 and provided for in Chapter 7 of Title**  
52 **27 of the Louisiana Revised Statutes of 1950, may conduct pari-mutuel**  
53 **wagering in its retail sports book lounge provide it has an approved plan**  
54 **of operation as provided in R.S. 4:213(C).**

55 \* \* \*

56 **§629. Pari-mutuel wagering; commissions, fees, and other deductions**

57 **Any commissions, fees, and other deductions on racehorse**  
58 **wagering shall be in accordance with Chapter 4 of Title 4 of the**  
59 **Louisiana Revised Statutes of 1950."**