SLS 22RS-540 **REENGROSSED**

2022 Regular Session

SENATE BILL NO. 272

BY SENATOR CORTEZ

1

HORSE RACING. Provides relative to wagering on horse races in a sports book lounge. (8/1/22)

AN ACT

2	To amend and reenact R.S. 4:149, 211, 213, and 214 and R.S. 27:602(13) and to enact R.S.
3	4:147(7), 215(D), and 228(H) and R.S. 27:602(18.1), 607(H), and 629, relative to
4	horse racing; to provide for pari-mutuel wagering; to provide regarding offtrack
5	wagering facilities; to authorize pari-mutuel wagering in a sports book lounge of
6	certain licensed entities as offtrack wagering facilities; to require certain agreements
7	or plans of operations; to provide for required terms of the agreement or plan and
8	approval; to provide for requirements and exceptions; to provide regarding
9	restrictions and prohibitions; and to provide for related matters.
10	Be it enacted by the Legislature of Louisiana:
11	Section 1. R.S. 4:149, 211, 213, and 214 are hereby amended and reenacted and R.S.
12	4:147(7), 215(D), and 228(H) are hereby enacted to read as follows:
13	§147. Specific duties of commission
14	The commission shall carry out the provisions of this Part, including the
15	following specific duties:
16	* * *
17	(7) To make rules and regulations for pari-mutuel wagering in a sports

wagers.

1 book lounge of a host entity licensed by the Louisiana Gaming Control Board 2 to conduct sports wagering pursuant to Chapter 10 of Title 27 of the Louisiana 3 Revised Statutes of 1950. 4 5 §149. Wagering; rules and regulations **<u>A.</u>** The commission may prescribe rules and regulations under which shall be 6 conducted all horse races upon the results of which there is wagering. The 7 8 commission shall, as may be necessary, prescribe additional special rules and 9 regulations applicable separately to thoroughbreds and quarter horses. The 10 commission shall make rules governing, permitting, and regulating the wagering on 11 horse races under the form of mutuel wagering by patrons, known as pari-mutuel 12 wagering, whether on live or historical horse races. Only those persons receiving a 13 license from the commission may conduct this type of wagering, and shall restrict this form of wagering to a space within the race meeting grounds or an offtrack 14 wagering facility. All other forms of wagering on the result of horse races are illegal. 15 16 B. Notwithstanding the space restriction provided in Subsection A of this Section, pari-mutuel wagering on the result of horse races may also be 17 conducted in the sports book lounge of a host entity licensed for sports wagering 18 19 by the Louisiana Gaming Control Board pursuant to Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950, provided the requirements of this 20 21 Chapter are met. 22 §211. Definitions 23 24 Unless the context indicates otherwise, the following terms shall have the meaning ascribed to them below: 25 (1) "Audited net profits" means the total commissions retained by an 26 27 association on pari-mutual wagers placed at a specific offtrack wagering 28 facility, less direct costs, breakage, settlements, and taxes applicable to such

1	(2) "Eligible applicants" means the primary licensee fulfilling the licensure
2	criteria described in this Part.
3	(2)(3) "Exotic wagers" or "exotic wagering pools" include all pari-mutuel
4	pools except the win, place, or show pools conducted at each race meeting in the
5	state. Examples of exotic wagering pools in common usage are daily double pools,
6	exacta pools, trifecta pools, twin trifecta pools, pick-six pools, and quinella pools.
7	(3)(4) "Host entity" means an entity licensed by the Louisiana Gaming
8	Control Board to conduct sport wagering in its sports book lounge in
9	accordance with Chapter 10 of Title 27 of the Louisiana Revised Statutes of
10	1950; however, it shall not include an entity that is also the holder of a license
11	as defined in R.S. 27:353 and provided for in Chapter 7 of Title 27 of the
12	Louisiana Revised Statutes of 1950.
13	(5) "Host track" means the Louisiana track at which the race is run.
14	(4)(6) "Net commission" means the commission retained by a licensee on
15	pari-mutuel wagers on historical horse races, less breakage, settlements, and taxes
16	applicable to such wagers.
17	(5)(7) "Offtrack wagering facility" means the licensed and authorized
18	location where offtrack wagers may be accepted.
19	(6)(8) "Pari-mutuel facility" means any pari-mutuel race track conducting
20	race meetings during the 1986-87 racing season and licensed prior to the effective
21	date of this Part June 30, 1987.
22	(7)(9) "Parish seat" means the facility, courthouse, meeting hall, etc., at
23	which the parish governing authority meets on a regular basis in an official capacity.
24	(8)(10) "Primary licensee" means the licensed association conducting the
25	majority of race days at a pari-mutuel facility.
26	* * *
27	§213. Offtrack wagering facilities; establishment; sports book lounge
28	A. In addition to the rights granted in R.S. 4:149.2, any association licensed
29	by the commission may conduct pari-mutuel wagering and engage in all necessary

1	activities to establish appropriate offtrack wagering facilities to accomplish this
2	purpose. Such activities shall include, but not be limited to:
3	(1) Live simulcast of races from the host track.
4	(2) Historical horse racing on the premises of offtrack wagering facilities via
5	dedicated machines or personal mobile devices.
6	(3) Construction or leasing of offtrack wagering facilities.
7	(4) Sale of goods and beverages.
8	(5) Advertising and promotion.
9	(6) All other related activities.
10	B.(1) In addition to Subsection A of this Section, any association licensed
11	by the commission may also conduct pari-mutuel wagering and engage in
12	necessary activities to establish appropriate offtrack wagering in a sports book
13	lounge of a host entity, provided that the sports book lounge of the host entity
14	is geographically located in a parish that has approved, by public referendum,
15	the conduct of pari-mutuel wagering in that parish.
16	(2) The conduct of offtrack wagering in a sports book lounge shall be
17	pursuant to an agreement between the licensed association and the host entity
18	and the agreement shall be subject to approval by the commission and by the
19	Louisiana Gaming Control Board.
20	(3) The commission shall promulgate rules establishing the regulations
21	and conditions for the conduct of offtrack pari-mutuel wagering in a sports
22	book lounge of a host entity. The rules shall require an agreement between the
23	association licensed by the commission and the host entity licensed for sports
24	wagering by the Louisiana Gaming Control Board and its retail sports wagering
25	operator, if applicable. The agreement shall include but not be limited to the
26	following terms:
27	(a) Pari-mutuel wagering shall be restricted to the host entity's retail
28	sports book lounge.
29	(b) Pari-mutuel wagering shall be conducted in accordance with the

1	provisions of this Chapter.
2	(c) All pari-mutuel wagers shall be maintained and accounted separate
3	and distinct from all other sports wagers placed in the sports book lounge.
4	(d) The gaming division of the office of state police shall have access to
5	all files, records, documents, film, tape, including surveillance tape, and any
6	other information and personnel necessary to determine compliance with all
7	gaming laws, rules, and regulations on gaming activities and operations under
8	the commission's jurisdiction or the Louisiana Gaming Control Board's
9	jurisdiction.
10	(e) In consideration for hosting, the association shall make compensation
11	payments to the host entity of thirty percent of the audited net profits on the
12	total amount wagered at its facility. The agreement shall specify the calculation
13	and periodic payments.
14	(f) Unless otherwise provided by law, all commissions and fees and their
15	distribution shall be as provided by this Chapter.
16	C.(1) A primary licensee that is also the holder of a license as defined in
17	R.S. 27:353 and provided for in Chapter 7 of Title 27 of the Louisiana Revised
18	Statutes of 1950, may conduct pari-mutuel wagering and engage in necessary
19	activities to establish appropriate offtrack wagering in its retail sports book
20	lounge.
21	(2) The conduct of offtrack wagering in a sports book lounge shall be
22	pursuant to a plan of operation and the plan shall be subject to approval by the
23	commission and by the Louisiana Gaming Control Board.
24	(3) The commission shall promulgate rules establishing the regulations
25	and conditions for the conduct of offtrack pari-mutuel wagering in a sports
26	book lounge of a holder of a license as defined in R.S. 27:353. The rules shall
27	require the plan of operation to include but not be limited to the following
28	provisions:

(a) Pari-mutuel wagering shall be conducted in accordance with the

1	provisions of this Chapter.
2	(b) All pari-mutuel wagers placed in the sports book lounge shall be
3	maintained and accounted separate and distinct from all other sports wagers
4	placed in the sports book lounge.
5	(c) The gaming division of the office of state police shall have access to
6	all files, records, documents, film, tape, including surveillance tape, and any
7	other information and personnel necessary to determine compliance with all
8	gaming laws, rules, and regulations on gaming activities and operations under
9	the commission's jurisdiction or the Louisiana Gaming Control Board's
10	jurisdiction.
11	§214. Offtrack wagering facilities; licensing; criteria; management; appeal of license
12	suspension or revocation; limitation on facilities with historical horse
13	racing
14	A. License Except for offtrack wagering conducted in a sports book
15	<u>lounge</u> , <u>license</u> approval shall be subject to the criteria established by R.S. 4:159.
16	B. Licensure for all offtrack wagering facilities shall be subject to the
17	following conditions:
18	(1)(a) Only the primary licensee operating at a pari-mutuel facility may apply
19	for a license to operate offtrack wagering facilities in this state and only such
20	primary licensees shall be licensed to operate offtrack wagering facilities under this
21	Part.
22	(b) A primary licensee applying for a license to operate an offtrack
23	wagering facility to be located in a sports book lounge of a host entity shall
24	provide its agreement with the host entity as part of its application.
25	(2)(a)(i) Before a license is granted for an offtrack wagering facility in any
26	parish, the voters of that parish must shall have approved the establishment of such
27	a facility within the parish in a referendum election held for that purpose. The
28	commission shall request a referendum by the governing body of a parish only after

receipt of an application for licensure of an offtrack wagering facility in that parish

2 (ii) If the referendum fails to gain voter approval, or if the commission's 3 request to the parish governing authority for a referendum is not granted within six 4 months of such request, then the request therefor is rendered void. 5 (iii) Any request for an offtrack referendum that is pending on the effective date of this Subparagraph before the governing authority of a parish wherein such 6 7 a referendum has failed to gain voter approval in a prior election shall be rendered 8 void upon that date. 9 (iv) Any request for an offtrack referendum that has been pending before a 10 parish governing authority for six months or more upon the effective date of this 11 Subparagraph shall be rendered void upon that date. 12 (b)(i) After a request by the commission to a parish governing authority for 13 an offtrack referendum is voided for any reason, the original applicant may either: (aa) Resubmit the application for licensure, and the commission shall submit 14 a new request for an offtrack referendum election to the parish governing authority; 15 16 or (bb) Submit a new application to the commission for licensure of an offtrack 17 wagering facility in any city, town, or municipality within the parish, and the 18 19 commission shall request the governing authority of such city, town, or municipality to hold an offtrack referendum election. 20 (ii) If the referendum fails to gain voter approval or if the commission's 21 22 request for a referendum is not granted within six months of such request, the request therefor is rendered void. 23 24 (iii) If the offtrack referendum gains voter approval, the commission may license one offtrack wagering facility within the corporation limits of the city, town, 25 or municipality in which the referendum was held. Such license must shall conform 26 27 to all applicable licensing criteria as provided in this Part. (c)(i) Except as provided in R.S. 4:214(A)(2)(c)(ii) Item (ii) of this 28 29 **Subparagraph**, the collection and distribution of license fees as provided in R.S.

by the eligible applicant as provided in R.S. 4:215.

28

29

1 4:218 shall not be affected by this Paragraph. 2 (ii) Notwithstanding any provision of R.S. 4:218 to the contrary and except for offtrack wagering conducted in a sports book lounge of a host entity, if an 3 4 off-track wagering facility is located within the corporate limits of a municipality as 5 a result of a municipal off-track wagering referendum as provided in this Paragraph, called by the municipal governing authority without the assistance of the parish 6 7 governing authority, the municipal governing authority may impose a license fee not 8 to exceed two percent of the total amount wagered at that facility, and no license fee 9 shall be imposed by the parish, and the municipality shall retain the total license fees 10 collected; otherwise, distribution of the fees shall be in accordance with R.S. 11 4:218(B). 12 (3)(a) A license shall not be granted to an offtrack wagering facility to be 13 located within a fifty-five mile radius of a pari-mutuel facility without the prior written permission of the primary licensee of that facility. 14 (b) Subparagraph (a) of this Paragraph shall not apply to an offtrack 15 16 wagering facility located in a sports book lounge of a host entity. (4)(a) Not more than two offtrack wagering facilities may be licensed in any 17 parish, except for Orleans and Jefferson. 18 19 **(b)** For the purposes of this Paragraph, a pari-mutuel facility as that term is defined in R.S. 4:211 shall not be included in the count of licensed offtrack wagering 20 21 facilities for the parish in which it is located. 22 (c) For the purposes of this Paragraph, an offtrack wagering facility located in the sports book lounge of a host entity shall not be included in the 23 24 count of licensed offtrack wagering facilities for the parish in which it is located. (5) Final Except for an offtrack wagering facility located in the sports 25 book lounge of a host entity, final license approval is subject to local governing 26

(6) Each Except for an offtrack wagering facility located in the sports

book lounge of a host entity, each offtrack wagering facility shall be specifically

authority facility citing requirements.

1	designed as an entertainment complex. Maximum allowable attendance at each
2	facility shall be one hundred twenty-five percent of the seating capacity at that
3	facility. At least one area for patrons at each offtrack wagering facility shall be
4	designated as a nonsmoking area.
5	$(7) \textcolor{red}{\textbf{No}} \textcolor{red}{\textbf{Except for an offtrack wagering facility located in the sports book}}$
6	lounge of a host entity, no person licensed by the commission pursuant to the
7	provisions of this Chapter who shows proof of licensure upon entering an offtrack
8	wagering facility shall be assessed any fees for admission into the facility.
9	\mathbf{B} . \mathbf{C} . (1) Licenses granted by the commission shall be valid for a ten-year
10	period. In the event of the sale of the pari-mutuel facility, such license may be
11	transferred and remain valid for the balance of the term of the license. If the
12	conditions of the sale do not include the transfer of the offtrack wagering facility
13	license, such license shall be automatically voided upon the completion of the sale.
14	(2) In the event a primary licensee is granted approval by the Louisiana State
15	Racing Commission to transfer its live racing dates to another pari-mutuel facility,
16	such primary licensee shall retain all the rights, privileges, and obligations relative
17	to offtrack wagering facilities as provided in this Part as though it remained a
18	primary licensee, as defined in R.S. 4:211(7), in its original location.
19	C.D. License applications shall be accompanied by a good faith deposit of
20	one thousand dollars.
21	D.E. All primary licensees are eligible for licensure at their existing horse
22	racing facilities as offtrack wagering facilities. Such primary licensees shall not be
23	subject to the licensing requirements in R.S. 4:214(A)(2) Paragraph (B)(2) of this
24	Section.
25	E.F. There shall be no penalty for closing a licensed offtrack wagering
26	facility provided the licensee submits written notice to the commission at least thirty
27	days prior to closure. The commission shall notify all eligible applicants of the notice
28	of closure. Ownership of an offtrack wagering facility may be transferred to other
29	eligible applicants subject to all licensing requirements except as provided in R.S.

4:214(A)(2) Paragraph (B)(2) of this Section.

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

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

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

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

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

J.K.(1) Should the commission suspend or revoke the license of a primary licensee, the licensee may, within ten days of the notification of the commission's decision take a suspensive appeal to the district court having jurisdiction over the

licensee's offtrack wagering facility. The appeal shall be filed in the district court in the same manner as an original suit is instituted thereon. Each appeal shall be tried de novo. Either party may amend and supplement his pleadings and additional witnesses may be called and heard.

- (2) Within ten calendar days of the signing of the judgment by the district court in any such appeal case, the commission or the applicant for a license or licensee, as the case may be, may suspensively appeal the judgment to the appellate court of proper jurisdiction. The appeal shall be perfected in the manner provided for in civil cases and shall be suspensive or devolutive in the discretion of the court.
- (3) All proceedings in the district and appellate courts arising under this Part are civil in nature and shall be heard summarily by the court, without a jury, shall take precedence over other civil cases, and shall be tried in chambers or in open court, and in or out of term.
- K.L. (1) No primary licensee may operate more than five offtrack wagering facilities in which historical horse racing is permitted.
- (2) Notwithstanding Paragraph (1) of this Subsection, any primary licensee that operates more than five offtrack wagering facilities as of July 1, 2021, may conduct historical horse racing at all of its licensed facilities. However, historical horse racing shall not be authorized at any future offtrack wagering facility for that primary licensee if the primary licensee is operating more than five offtrack wagering facilities. If any of the primary licensee's existing licensed offtrack wagering facilities on July 1, 2021, cease to be a licensed offtrack wagering facility for reasons other than force majeure, the number of offtrack wagering facilities allowed to conduct historical horse racing for that primary licensee shall be reduced by the number of its offtrack wagering facilities that cease to be licensed until such time as the primary licensee is reduced to no more than five licensed offtrack wagering facilities allowed to conduct historical horse racing.
- (3) Each primary licensee or licensed offtrack wagering facility shall not place more than fifty historical horse racing machines into service at any given time.

1	(4) In addition to the requirements of Paragraph (3) of this Subsection, an
2	application from an eligible facility to conduct historical horse racing in Orleans
3	Parish may be approved by the commission only after the Amended and
4	Renegotiated Casino Operating Contract entered into pursuant to R.S. 27:201 et seq.,
5	on October 30, 1998, as amended, is amended to provide that the conducting of
6	historical horse racing at the eligible facility in Orleans Parish shall not constitute an
7	exclusivity violation or prohibited land-based gaming as defined in such contract and
8	such amendment to the contract is approved by the Joint Legislative Committee on
9	the Budget as required by the provisions of Section 3.B of Act No. 1 of the 2001
10	First Extraordinary Session of the Legislature.
11	L. No historical M.(1) Historical horse racing may shall not be conducted
12	via a machine or website or mobile application beyond the property of the pari-
13	mutuel facility or offtrack wagering facility.
14	(2) No historical horse racing shall be conducted at an offtrack wagering
15	facility located in the sports book lounge of a host entity.
16	(3) The commission shall promulgate rules relative to the enforcement of this
17	restriction the restrictions provided for in this Subsection.
18	* * *
19	§215. Offtrack wagering facilities, ownership
20	* * *
21	D. The provisions of this Section shall not apply to an offtrack wagering
22	facility located in the sports book lounge of a host entity.
23	* * *
24	§228. Offtrack wagering facility locations; prohibited distances; prohibited
25	structures
26	* * *
27	H. The provisions of this Section shall not apply to an offtrack wagering
28	facility located in the sports book lounge of a host entity.
29	Section 2. R.S. 27:602(13) is hereby amended and reenacted and R.S. 27:602(18.1),

1	607(H), and 629 are hereby enacted to read as follows:
2	§602. Definitions
3	For purposes of this Chapter, the following terms shall have the following
4	meanings ascribed to them unless the context clearly indicates otherwise:
5	* * *
6	(13) "Net gaming proceeds" means the amount equal to the total gross
7	revenue of all wagers placed by patrons less the total amount of all winnings paid out
8	to patrons and the amount of eligible promotional play determined pursuant to R.S.
9	27:627. "Net gaming proceeds" shall not include wagers placed by patrons on
10	racehorse wagering, or winnings paid out to patrons on racehorse wagering.
11	* * *
12	(18.1) "Racehorse wagering" means wagers placed on horse racing
13	conducted under the pari-mutuel form of wagering at licensed racing facilities
14	that are accepted in accordance with the provisions of Chapter 4 of Title 4 of the
15	Louisiana Revised Statutes of 1950, and an approved agreement between the
16	licensee and the association licensed by the Louisiana State Racing Commission
17	to conduct pari-mutuel wagering in a sports book lounge.
18	* * *
19	§607. Operators; sports lounge required; responsibilities; pooling
20	* * *
21	H.(1) A licensee and its retail sports wagering operator may contract
22	with a primary licensee of the Louisiana State Racing Association as defined in
23	R.S. 4:211 to conduct racehorse wagering in its sports book lounge provided the
24	licensee and its retail sports wagering operator have an approved agreement
25	with a primary licensee as provided in R.S. 4:213(B).
26	(2) A licensee who is a primary licensee and also the holder of a license
27	as defined in R.S. 27:353 and provided for in Chapter 7 of Title 27 of the
28	Louisiana Revised Statutes of 1950, may conduct pari-mutuel wagering in its
29	retail sports book lounge provided it has an approved plan of operation as

provided in R.S. 4:213(C). * * * * \$629. Pari-mutuel wagering; commissions, fees, and other deductions Any commissions, fees, and other deductions on racehorse wagering shall be in accordance with Chapter 4 of Title 4 of the Louisiana Revised Statutes of 1950.

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

DIGEST 2022 Regular Session

SB 272 Reengrossed

egular Session Cortez

<u>Present law</u> provides for the Louisiana State Racing Commission (LSRC) to regulate the conduct of pari-mutuel racehorse wagering and the Louisiana Gaming Control Board (LGCB) to regulate the conduct of sports wagering.

<u>Proposed law</u> authorizes the LSRC to make rules and regulations for pari-mutuel wagering in a sports book lounge of a host entity (Riverboats or Land-based Casino) licensed by the LGCB to conduct sports wagering. Also authorizes pari-mutuel wagering in the sports book lounge of a licensed racing association (Racetrack).

<u>Present law</u> provides that LSRC is the exclusive authority regarding all conducted horse races upon the results of which there is wagering. Provides that only persons receiving a license from LSRC may conduct pari-mutuel wagering and that pari-mutuel wagering shall be limited to a space within the race meeting grounds or an offtrack wagering facility. Declares that all other forms of wagering on the result of horse races are illegal.

<u>Proposed law provides</u> that notwithstanding <u>present law</u>, pari-mutuel wagering on the result of horse races may also be conducted in the sports book lounge of a host entity licensed by LGCB for sports wagering, provided the requirements of <u>proposed law</u> are met.

<u>Present law</u> provides for certain definitions for the purpose of establishing an offtrack wagering facility (OTB).

<u>Proposed law</u> retains <u>present law</u> and adds definitions for "audited net profits" and "host entity".

<u>Present law</u> provides that any licensed racing association may conduct pari-mutuel wagering and engage in all necessary activities to establish appropriate offtrack wagering facilities to accomplish that purpose.

<u>Proposed law</u> retains <u>present law</u> and adds that a licensed racing association may be licensed as an OTB to conduct pari-mutuel wagering in a sports book lounge of a Riverboat or Land-based Casino, provided that the Riverboat or Land-based Casino is geographically located in one of the 20 parishes that have approved, by public referendum, the conduct of pari-mutuel wagering in that parish. Requires there to be an agreement between the licensed racing association and the Riverboat or Land-based Casino that is approved by both the LSRC and LGCB and that the agreement include the following terms:

(1) Pari-mutuel wagering shall be restricted to the Riverboat's or Land-based Casino's

Page 14 of 16

Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

retail sports book lounge.

- (2) Pari-mutuel wagering shall be conducted in accordance with present law.
- (3) All pari-mutuel wagers shall be maintained and accounted separate and distinct from all other sports wagers placed in the sports book lounge.
- (4) 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 LSRC's jurisdiction or LGCB's jurisdiction.
- (5) The licensed racing association shall make compensation payments to the Riverboat or Land-based Casino of 30% of audited net profits on the total amount wagered at the Riverboat or Land-based Casino facility. Requires the agreement to specify the calculation and periodic payments.
- (6) All commissions and fees taken from pari-mutuel wagers and the distribution of the takeouts shall be as provided in <u>present law</u>.

<u>Proposed law</u> provides that a licensed racing association may be licensed as an OTB to conduct pari-mutuel wagering in its sports book pursuant to a plan of operation approved by LSRC and LGCB and requires the plan of operation to provide that:

- (1) Pari-mutuel wagering shall be conducted in accordance with <u>present law</u>.
- (2) 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 its sports book lounge.
- (3) 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 LSRC's jurisdiction or LGCB's jurisdiction.

<u>Present law</u> provides several criteria for LSRC to approve a licensed racing association for an OTB.

<u>Proposed law</u> retains <u>present law</u> with the following exceptions for OTBs located in a sports book lounge:

- (1) Provides a municipal governing body's authority to impose a license fee on an OTB as a result of a municipal referendum shall not apply.
- (2) Provides that the requirement that a licensed racing association grant permission to an OTB to be located within a 55 mile radius of its pari-mutuel facility shall not apply.
- (3) Provides that such OTB's shall not count toward <u>present law's</u> maximum number of OTBs per parish.
- (4) Provides that <u>present law's</u> maximum allowable attendance at an OTB shall not apply.
- (5) Raises the minimum age of a person to enter to 21 years old.

- (6) Provides the 25 cents per person admission fee shall not apply.
- (7) Historical horse wagering shall not be allowed.

<u>Present law</u> provides that only a licensed racing association may own and operate an OTB in a parish whose parish seat is located less than 55 miles from their facility and provides a procedure for ownership for locations outside of the 55 mile radius and instances where more than one facility is within the radius.

<u>Proposed law</u> provides that <u>present law</u> shall not apply to an OTB located in a sports book lounge of a Riverboat or Land-based Casino.

<u>Present law</u> restricts the location of OTBs in relation to National Register of Historic Places, public playgrounds, residential property or buildings primarily used as a church, synagogue, public library, or school.

<u>Proposed law</u> provides that <u>present law</u> shall not apply to an OTB located in a sport book lounge of a Riverboat or Land-based Casino.

<u>Present law</u> provides that Riverboats, Land-based Casino, and Racetracks pay taxes on net gaming proceeds from sports wagering. Defines "net gaming proceeds" as the amount equal to the total gross revenue of all wagers placed by patrons less the total amount of all winnings paid out to patrons and the amount of eligible promotional play.

<u>Proposed law</u> provides that "net gaming proceeds" shall not include wagers placed by patrons on racehorse wagering, or winnings paid out to patrons on racehorse wagering, and defines "racehorse wagering" as wagers placed on horse racing conducted under the parimutuel form of wagering at licensed racing facilities that are accepted in accordance with <u>present law</u> on pari-mutuel wagering and an approved agreement.

<u>Proposed law</u> provides that any commissions, fees, and other deductions on racehorse wagering shall be in accordance with <u>present law</u>.

Effective August 1, 2022.

(Amends R.S. 4:149, 211, 213, and 214 and R.S. 27:602(13); adds R.S. 4:147(7), 215(D), and 228(H) and R.S. 27:602(18.1), 607(H), and 629)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Judiciary B to the original bill

1. Adds provisions authorizing pari-mutuel wagering to be conducted in a sports book lounge.

Senate Floor Amendments to engrossed bill

1. Technical amendments only.