

2023 Regular Session

SENATE BILL NO. 160

BY SENATOR CORTEZ

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

HORSE RACING. Provides relative to the powers and duties of the Louisiana Racing Commission. (7/1/23)

1 AN ACT
2 To amend and reenact R.S. 4:147 and 164(C)(1), and R.S. 27:361(E)(3)(a), relative to the
3 Louisiana State Racing Commission; to provide for powers and duties; to provide for
4 rulemaking authority and prohibitions; to provide for a facility maintenance and
5 improvement fund; and to provide for related matters.
6 Be it enacted by the Legislature of Louisiana:
7 Section 1. R.S. 4:147 and 164(C)(1) are hereby amended and reenacted to read as
8 follows:
9 §147. Specific duties of commission
10 A. The commission shall carry out the provisions of this Part, including the
11 following specific duties:
12 (1)(a) To assign the dates race meetings may be conducted in this state at a
13 particular track, including dates which limit racing at a particular track for quarter
14 horses only, provided that:
15 (i) It shall prohibit the conducting of any thoroughbred race meetings having
16 the same or overlapping dates for such race meetings at thoroughbred race tracks
17 within a radius of one hundred miles of each other.

1 (ii) It shall prohibit the conducting of any exclusively quarter horse race
2 meetings having the same or overlapping dates for such race meetings at any other
3 exclusively quarter horse track within a radius of one hundred miles of each other.

4 (b) To set the minimum number of live races required per race day at a
5 particular track.

6 (2)(a) ~~The commission shall~~ **To** appoint three stewards to serve each day of
7 each race meeting conducted under the provisions of this Part. One of the stewards
8 shall be appointed by the commission to represent the Louisiana State Racing
9 Commission and shall be designated as the state steward who shall upon appointment
10 be residing in the state.

11 (b) The amount to be paid by the commission to the state steward as
12 compensation for his services shall be at least the same amount paid to the two
13 stewards appointed to represent an association, and the association shall reimburse
14 the commission in an amount equal to the amount paid by it to the state steward as
15 his compensation, as aforesaid, which amount shall be considered an additional fee
16 due the state by an association for the privileges granted in its license.

17 (c) Two of the stewards shall be nominated by the association conducting a
18 race meeting under the provisions of this Part and, prior to serving as such, shall be
19 approved and appointed by the commission. The amounts to be paid these two
20 stewards as compensation for their services shall be paid by the association
21 nominating them, which amounts shall also be considered an additional fee due the
22 state by an association for the privileges granted in its license.

23 (d) The commission may appoint other stewards to be compensated by it and
24 assign to each such duties as are consistent with this Part; however, such other
25 stewards shall not serve as a steward in the stewards stand during any race meeting
26 conducted under the provisions of this Part, except with the written consent of the
27 association conducting such race meeting.

28 (e) The commission shall be required to show just cause for not appointing
29 any racing official submitted to it for its approval.

1 (3) To make an annual report to the governor of its operation, its own actions
2 and rulings, and the receipts derived under the provisions of this Part; and to offer
3 such practical suggestions as it deems proper to accomplish more fully the purposes
4 of this Part.

5 (4) To require of each applicant seeking a license to operate a race meeting
6 an application setting forth:

7 (a) The full name of the person, and if a corporation the name of the state
8 under which it is incorporated, and the names of the corporation's agents for the
9 service of process within Louisiana.

10 (b) If an association or corporation, the names of the stockholders and
11 directors of the corporation or the names of the members of the association.

12 (c) The exact location where it is desired to conduct or hold a racing meet.

13 (d) Whether or not the racing plant is owned or leased, and if leased the name
14 and address of the owner, or if the owner is a corporation, the names of its directors
15 and shareholders. However, nothing in this Part prevents any person from applying
16 to the commission for a permit to conduct races where the racing plant has not yet
17 been constructed.

18 (e) A statement of the assets and liabilities of the person applying for a
19 license.

20 (f) The kind of racing to be conducted and the dates requested.

21 (g) Such other information as the commission may require.

22 (5) To require an oath of every applicant, by the person or executive officer
23 of the association or corporation, stating that the information contained in the
24 application is true.

25 (6) To make rules and regulations for the holding, conducting, and operating
26 of all ~~race tracks~~, race meets, and races held in Louisiana, provided such regulations
27 are uniform in their application and effect.

28 (7) ~~Make~~ **To make** rules and regulations providing for minimum standards
29 and infrastructure investments required for each association regarding facility

1 maintenance and facility improvements including but not limited to track surface,
2 barns, grandstands, and paddocks in order for the association or licensee to conduct
3 race meets at a particular track.

4 (8) ~~Make~~ **To make** rules and regulations providing for minimum full-time
5 and seasonal employment requirements including but not limited to food service,
6 marketing, pari-mutuel windows, and kiosk repair staffing in order for the
7 association or licensee to conduct race meets at a particular track.

8 (9) To make rules and regulations applicable to offtrack wagering facility
9 licensees for pari-mutuel wagering that occurs in a sports book lounge of an entity
10 licensed by the Louisiana Gaming Control Board to conduct sports wagering
11 pursuant to Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950.

12 **B. The commission shall not make rules regarding the operation or hours**
13 **of operation of a racetrack other than matters necessary to the holding of such**
14 **race meetings and pari-mutuel wagering.**

15 * * *

16 §164. Facility maintenance and improvement fund

17 * * *

18 C.(1) ~~After July 1, 2023~~ **If an association is found not to be in compliance**
19 **with the minimum standards and infrastructure investments by the date set by**
20 **the commission for compliance**, ten percent of gross profits shall be deposited into
21 the fund, **up to a maximum of three million dollars**, until such time that all
22 commission-required facility maintenance and improvements have been completed
23 as determined by the commission. Such deposits shall be made at the same time as
24 the state tax is paid.

25 * * *

26 Section 2. R.S. 27:361(E)(3)(a) is hereby amended and reenacted to read as follows:

27 §361. Conduct of slot machine gaming; temporary conduct

28 * * *

29 E.(1)

* * *

1 (3)(a) Notwithstanding Paragraph (1) of this Subsection, upon notification
 2 from the Louisiana State Racing Commission that the licensed eligible facility is not
 3 in compliance with R.S. 4:164 but is cooperating with the commission and working
 4 towards compliance, the board may grant or renew a license **pursuant to Paragraph**
 5 **(1) of this Subsection or** for a probationary period ~~not to exceed one year. Barring~~
 6 ~~extenuating circumstances as determined by the board, the probationary period shall~~
 7 ~~not be extended beyond one year. After the probationary period, the board shall~~
 8 ~~either grant or renew the license pursuant to Paragraph (1) of this Subsection for the~~
 9 ~~remainder of the term or revoke the license.~~ **to be determined by the board.**

10 * * *

11 Section 3. This Act shall become effective on July 1, 2023; if vetoed by the governor
 12 and subsequently approved by the legislature, this Act shall become effective on the day
 13 following such approval by the legislature or July 1, 2023, whichever is later.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Alan Miller.

DIGEST

SB 160 Original

2023 Regular Session

Cortez

Present law provides for specific duties of the Louisiana State Racing Commission (LSRC).

Proposed law retains present law, but also prohibits the LSRC from making rules regarding the operation or hours of operation of a racetrack other than matters necessary to the holding of such race meetings and pari-mutuel wagering.

Present law requires that, after July 1, 2023, each association (operator of a live horse racing track) shall deposit 10% of their gross profits into a facility maintenance fund established by the association to pay for all LSRC-required facility maintenance and improvements and that such deposits shall continue until LSRC finds the association in compliance with the facility maintenance and improvement investments. Provides that the deposits shall be made at the same time as the state tax is paid. Provides that once the initial facility maintenance and improvements are completed to the satisfaction of LSRC, each association shall continue to maintain a minimum fund balance of \$3M in the account. Provides that for an association that is in compliance with LSRC's minimum standards and infrastructure investments, the LSRC may by a 2/3 vote exempt an association making deposits, maintaining a minimum fund balance, or allow the balance to be withdrawn or reduced.

Proposed law changes present law to require the deposit of 10% of gross profits only if the association is found by LSRC not to be in compliance with the minimum standards and infrastructure investments and provides that, in those instances, the deposits are capped at \$3M.

Present law provides that a license from the La. Gaming Control Board (LGCB) to conduct slot machine gaming at a race track shall be for a 5-year term and any renewals are for

5-year terms. Present law provides an exception in instances where the LSRC notifies LGCB that it has determined that its licensed live racing track is not in compliance with LSRC standards on facility maintenance and improvements. Allows the LGCB to grant or renew a license for a probationary period not to exceed one year. Provides that, barring extenuating circumstances, the probationary period shall not be extended beyond one year and after the probationary period, LGCB shall either grant or renew the license or revoke it.

Proposed law changes the exception to provide that, in such instances of an LSRC's determination of an applicant's noncompliance with LSRC standards, the LGCB may grant or renew the license for a 5-year term or for a probationary period to be determined by LGCB.

Effective July 1, 2023.

(Amends R.S. 4:147 and 164(C)(1) and R.S. 27:361(E)(3)(a))