

RÉSUMÉ DIGEST

SB 181

2025 Regular Session

Bass

Present law defines "gambling by computer" as the intentional conducting, or directly assisting in the conducting as a business of any game, contest, lottery, or contrivance whereby a person risks the loss of anything of value in order to realize a profit when accessing the internet, World Wide Web, or any part thereof by way of any computer, computer system, computer network, computer software, or any server.

Proposed law would have retained present law and added that any game, contest, or promotion that is available on the internet or accessible on a mobile phone, computer terminal, or similar access device that utilizes a dual-currency system of payment allowing the player to exchange the currency for any prize or award or cash or cash equivalents, or any chance to win any prize or award or cash or cash equivalents, and simulates any form of gambling shall constitute illegal gambling by computer and shall not be considered a legal sweepstakes. These forms of gambling would have included but not be limited to the following:

- (1) Casino-style gaming, such as slot machines, video poker, and table games, including blackjack, roulette, craps, and poker.
- (2) Lottery games, including draw games, instant win games, keno, and bingo.
- (3) Sports wagering.

Present law provides that whoever designs, develops, manages, supervises, maintains, provides, or produces any computer services, computer system, computer network, computer software, or any server providing a homepage, website, or any other product accessing the internet, World Wide Web, or any part thereof offering to any client for the primary purpose of conducting as a business of any game, contest, lottery, or contrivance whereby a person risks the loss of anything of value in order to realize a profit shall be fined not more than \$20,000, or imprisoned with or without hard labor for not more than five years, or both.

Proposed law would have retained present law, but would have increased the fine from a maximum of \$20,000 to at least \$10,000 but not more than \$100,000 per occurrence.

Proposed law would have provided that in addition to the criminal penalties, a violation would have also been considered a deceptive and unfair trade practice and subjected the violator to any action and penalty provided for in the Unfair Trade Practices and Consumer Protection Law.

Proposed law would have prohibited any applicant, licensed or permitted entity, gaming employee, officer or director of a licensed or permitted entity, any investor, or any other person or entity from operating, conducting, or promoting games as described in proposed law within the state.

Proposed law would have prohibited any applicant, licensed or permitted entity, geolocation provider, gaming manufacturer, gaming supplier, platform provider, promoter, or media affiliate from providing support for the operation, conduct, or promotion of illegal gambling by computer, including illegal online sweepstakes games as described in proposed law within the state.

Proposed law would have required the La. Gaming Control Board (LGCB) and the La. State Police (LSP) to enforce the provisions of proposed law by bringing civil enforcement actions to enjoin the unlawful conduct.

Present law authorizes the purchase, sale, exchange, or other transaction related to stocks, bonds, futures, options, commodities, or other similar instruments or transactions occurring on a stock or commodities exchange, brokerage house, or similar entity.

Proposed law would have repealed present law.

Present law provides for suitability standards for applicants seeking to obtain a license or permit, enter into a casino operating contract with the state, or obtain any other approval by clear and convincing evidence to the LGCB or the LSP.

Proposed law would have retained existing suitability standards and further would have required the LSP to determine whether the applicant or any of its affiliates, including entities under common control, within the past five years, had knowingly accepted revenue, directly or indirectly, or profited from gambling in certain jurisdictions.

Proposed law would have required, if the LSP or LGCB determined that a licensed gaming manufacturer or gaming supplier, or any of its affiliates accepted revenue in or from a jurisdiction enumerated in proposed law, then the board would have been required to revoke the gaming manufacturer or gaming supplier's permit if, after notice and opportunity for hearing, the board determined that the discontinuance of operations of the licensee would further the public interest.

Proposed law would have provided that the LGCB required each applicant for a manufacturer or gaming supplier permit, and annually upon permit issuance, to submit a disclosure of any activity in a jurisdiction enumerated in proposed law. The disclosure would have been required to state the jurisdictions in which the applicant or permittee, or any affiliates of either, since the last annual submission, accepted revenue, directly or indirectly, for the supply of gaming supplies, devices, equipment, or illegal interactive gambling content in any jurisdiction enumerated in proposed law. A material misrepresentation or omission on the disclosure could have resulted in any of the following:

- (1) Denial of an application for a gaming manufacturer or gaming supplier permit.
- (2) Administrative action including but not limited to penalty, suspension, or revocation of its gaming permit.
- (3) A recommendation or finding of unsuitability for any officers and directors, or any other person involved in the misrepresentation or omission.

Would have become effective on August 1, 2025.

(Proposed to amend R.S. 14:90.3(B) and (E) through (K); proposed to add R.S. 14:90.3(L), (M), and (N) and R.S. 27:28(L), (M), and (N))

VETO MESSAGE:

I am writing to inform you that I have vetoed Senate Bill 181 of the 2025 Regular Legislative Session. This bill attempts to criminalize certain secondary gambling activities on the internet that are already prohibited in Louisiana. Our current Louisiana Gaming Control Board has the regulatory authority, control, and jurisdiction over all aspects of gaming activities and operations pursuant to the Louisiana Gaming Control Law. Furthermore, the Board, the Louisiana State Police Gaming Enforcement Division, and the Louisiana Attorney General's Office are all tasked with ensuring the initial and continuing suitability of all gaming licensees and permittees and eliminating, to the extent possible, known criminal and corrupt influences on Louisiana's gaming industry.

The Board is already taking active steps to combat illegal gambling in Louisiana, especially against illegal offshore wagering and illegal online sweepstakes companies operating in Louisiana. Most recently, the Board took successful action to uphold the integrity of gaming laws in Louisiana by issuing a cease-and-desist order to Harp Media B.V. d/b/a Bovada to immediately halt its illegal online gambling activities within Louisiana. The Board's firm stance against such operations is aimed at protecting Louisiana residents from unregulated gambling activities that violate state laws. The Board, the Louisiana Attorney General's Office, and the LSP Gaming Division are all monitoring this type of activity and will continue to issue additional cease-and-desist letters to similar illegal offshore wagering and illegal online sweepstakes companies that intentionally design their business models to circumvent Louisiana gaming laws and regulations.

The Board and its regulatory partners will take further action as deemed necessary to enforce state gaming laws, protect patrons and bettors, and maintain the integrity of Louisiana's

gaming industry. The Board remains dedicated to promoting a secure and regulated gaming environment in Louisiana. As such, this bill is a solution in search of a problem that is already being solved by our current system, and some of the language in this bill is overly broad and could be interpreted in an adverse manner which may harm or impede our current enforcement actions taken against these bad actors.

For these reasons, Senate Bill 181 is not necessary.