

Regular Session, 2003

SENATE BILL NO. 828

BY SENATOR BOISSIERE

GAMING. Authorizes slot machine gaming at eligible live horse racing facility in Orleans Parish.

1 AN ACT

2 To amend and reenact R.S. 27:353(4) and 361(C) and to enact R.S. 27:372.1
3 and 392(B)(3)(d), relative to Pari-mutuel Live Racing Facility
4 Economic Redevelopment and Gaming Control Act; to provide with
5 respect to slot machine gaming at live racing facilities; to authorize slot
6 machine gaming at an eligible facility in Orleans Parish; to provide
7 with respect to the allocation of revenue; to provide for the authority of
8 the Gaming Control Board to approve, execute, and implement an
9 amendment of the casino operating contract and issue or modify
10 regulatory approvals related thereto; to provide limitations on the
11 number of slot machines operated at an eligible facility in Orleans
12 Parish; and to provide for related matters.

13 Notice of intention to introduce this Act has been published.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. R.S. 27:353(4) and 361(C) are hereby amended and

reenacted and R.S. 27:372.1 and 392(B)(3)(d) are hereby enacted to read as follows:

§353. Definitions

When used in this Chapter, the following terms shall have these meanings:

* * *

(4) "Eligible facility" means no more than one facility in St. Landry Parish, Bossier Parish, Orleans Parish, and Calcasieu Parish at which the Louisiana State Racing Commission has licensed the conduct or at which the commission has approved the future licensing of the conduct of not less than eighty days within a consecutive twenty-week period each year of live horse race meetings.

* * *

§361. Conduct of slot machine gaming; temporary conduct

* * *

C.~~(1)~~ An application may be approved by the board only after the electorate in the parish in which the eligible facility is located or, is proposed to be located, as provided for in Subsection D of this Section, has approved the conduct of slot machine gaming at such facility at an election, as provided in Part III of this Chapter.

R.S. 27:361(C)(2) is all proposed new law.

(2) In addition to the requirements of Paragraph (1) of this Subsection, an application for an eligible facility in Orleans Parish may be approved by the board only after the Amended and Renegotiated Casino Operating Contract entered into pursuant to R.S. 27:201 et seq., on October 30, 1998, as amended, effective October 19, 1999, March 29, 2001, and March 31, 2001, has been further amended to provide

1 that the inclusion, licensing, or operation of an eligible facility in
2 Orleans Parish shall not constitute an Exclusivity Violation or
3 prohibited land-based gaming as defined in such contract, as amended,
4 following approval of such amendment by the Joint Legislative
5 Committee on the Budget as required by the provisions of Subsection
6 B of Section 3 of Act No. 1 of the First Extraordinary Session of 2001.

7 * * *

8 §372.1. Limitations on the number of slot machines operated at an
9 eligible facility in Orleans Parish

10 **R.S. 27:372.1 is all proposed new law.**

11 A. Notwithstanding any provision of law to the contrary, a
12 license issued by the board to conduct slot machine gaming at an
13 eligible facility in Orleans Parish shall be subject to the following
14 limitations regarding the number of slot machines which may be
15 operated at the eligible facility:

16 (1) On or after July 1, 2003, the eligible facility shall be
17 authorized to have a maximum of three hundred slot machines at the
18 eligible facility.

19 (2) On or after July 1, 2004, the eligible facility shall be
20 authorized to have a maximum of four hundred slot machines at the
21 eligible facility.

22 (3) On or after July 1, 2005, the eligible facility shall be
23 authorized to have a maximum of five hundred slot machines at the
24 eligible facility.

25 (4) At any time after July 1, 2005, in the event the gross gaming
26 revenues of the casino gaming operator as defined in R.S. 27:205(5)
27 exceed three hundred fifty million dollars for any preceding twelve-

1 month period, the eligible facility shall be authorized to have a
2 maximum of seven hundred slot machines.

3 B. Notwithstanding the provisions of Subsection A of this
4 Section if the Amended and Renegotiated Casino Operating Contract
5 entered into on October 30, 1998, as previously amended effective
6 October 19, 1999, March 29, 2001, and March 31, 2001, is terminated
7 and the state of Louisiana does not become a party to any other casino
8 operating contract as defined in R.S. 27:205(6) which contains
9 exclusivity provisions in accordance with R.S. 27:201 et seq., the
10 eligible facility located in Orleans Parish shall not be limited to a fixed
11 number of slot machines which may be placed in the designated gaming
12 area provided for in R.S. 27:372.

13 C. An eligible facility located in Orleans Parish shall be subject
14 to all licensing requirements and limitations provided by this Chapter
15 in addition to the provisions of this Section.

16 * * *

17 §392. Collection and disposition of fees and taxes

18 * * *

19 B.(1) * * *

20 * * *

21 (3) After complying with the provisions of Paragraphs (1) and
22 (2) of this Subsection, the state treasurer shall, each fiscal year, credit
23 five percent of the state portion of taxable net slot machine proceeds
24 collected from each licensed eligible facility to the following special
25 funds:

26 * * *

27 **R.S. 27:392(B)(3)(d) is all proposed new law.**

1 (d) The Orleans Parish Excellence Fund in Orleans Parish
2 which is hereby created in the state treasury. Monies in the Orleans
3 Parish Excellence Fund, for purposes of this Subparagraph referred to
4 as the "fund", shall be withdrawn only pursuant to appropriation by the
5 legislature. Monies in the fund shall be invested by the state treasurer
6 in the same manner as monies in the state general fund. Interest
7 earnings on investment of monies in the fund shall be credited to the
8 fund. Unexpended and unencumbered monies in the fund at the end of
9 each fiscal year shall remain in the fund.

10 * * *

11 Section 2. In addition to the authority provided in R.S. 27:245(A), the
12 board is expressly authorized to approve, execute, and implement an
13 amendment to any of the provisions of the Amended and Renegotiated Casino
14 Operating Contract entered into on October 30, 1998, as previously amended
15 effective October 19, 1999, March 29, 2001, and March 31, 2001, consistent
16 with the provisions of this Act and to issue or modify any regulatory provisions
17 or approvals related thereto, following approval of such amendment by the
18 Joint Legislative Committee on the Budget as required by the provisions of
19 Subsection B of Section 3 of Act No. 1 of the First Extraordinary Session of
20 2001. The exercise of this authority shall not be subject to or limited by the
21 provisions of R.S. 27:25 and 26, or any of the provisions of the Administrative
22 Procedure Act.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Camille A. Sebastien.

DIGEST

Present law authorizes the conducting of slot machine gaming at eligible horse racing facilities.

Present law defines an "eligible facility" as no more than one facility in St. Landry Parish, Bossier Parish, and Calcasieu Parish at which the Louisiana State Racing Commission has licensed the conduct or at which the commission has approved the future licensing of the conduct of not less than 80 days within a consecutive 20-week period each year of live horse race meetings.

Proposed law includes a facility in Orleans Parish.

Present law provides that the state treasurer shall, each fiscal year, credit 5% of the state portion of taxable net slot machine proceeds collected from each licensed eligible facility to the following special funds:

- (1) The Bossier Educational Excellence Fund.
- (2) The St. Landry Parish Excellence Fund.
- (3) The Calcasieu Parish Excellence Fund.

Proposed law retains these provisions of present law and adds the Orleans Parish Excellence Fund.

Present law provides that an application may be approved by the board only after the electorate in the parish in which the eligible facility is located or, is proposed to be located, has approved the conduct of slot machine gaming at such facility at an election.

Proposed law retains this provision of present law and further provides that an application for an eligible facility in Orleans Parish may be approved by the board only after the Amended and Renegotiated Casino Operating Contract entered into pursuant to R.S. 27:201 et seq., on October 30, 1998, as amended, effective October 19, 1999, March 29, 2001, and March 31, 2001, has been further amended to provide that the inclusion, licensing, or operation of an eligible facility in Orleans Parish shall not constitute an Exclusivity Violation or prohibited land-based gaming as defined in such contract, as amended, following approval of such amendment by the Joint Legislative Committee on the Budget as required by the provisions of Subsection B of Section 3 of Act No. 1 of the 2001 1st Extraordinary Session of the Legislature.

Proposed law further provides that a license issued by the board to conduct slot machine gaming at an eligible facility in Orleans Parish shall be subject to the following limitations regarding the number of slot machines which may be operated at the eligible facility:

- (1) On or after July 1, 2003, the eligible facility shall be authorized to have a maximum of 300 slot machines at the eligible facility.
- (2) On or after July 1, 2004, the eligible facility shall be authorized to have a maximum of 400 slot machines at the eligible facility.
- (3) On or after July 1, 2005, the eligible facility shall be authorized to have a maximum of 500 slot machines at the eligible facility.
- (4) At any time after July 1, 2005, in the event the gross gaming revenues of the casino gaming operator exceed \$350 million for any preceding 12-month period, the eligible facility shall be authorized to have a maximum of 700 slot machines.

Proposed law provides that if the casino operating contract is terminated and the state of Louisiana does not become a party to another casino operating contract which contains exclusivity provisions that the eligible facility shall not be subject to a limitation on the number of slot machines which may be placed in the designated gaming area.

Proposed law provides that the board is expressly authorized to approve, execute, and implement an amendment to any of the provisions of the Amended and Renegotiated Casino Operating Contract entered into on October 30, 1998, as previously amended effective October 19, 1999, March 29, 2001, and March 31, 2001, consistent with the provisions of proposed law and to issue or modify any regulatory provisions or approvals related thereto, following approval of such amendment by the Joint Legislative Committee on the Budget as required by the provisions of Subsection B of Section 3 of Act No. 1 of the 2001 First Extraordinary Session. Excepts authority from R.S. 27:25 and 26 or any provisions of the APA.

(Amends R.S. 27:353(4) and 361(C); adds R.S. 27:372.1 and 392(B)(3)(d))