
DIGEST

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Moreno

HB No. 1230

Abstract: Provides relative to horse racing monies for purses and purse supplements disbursed to the Horsemen's Benevolent and Protective Association.

Present law provides for the distribution of monies from horse racing for purses to and benefits for the Horsemen's Benevolent and Protective Association (HBPA) to permittees licensed to race horses in the state. Provides that the distribution of those monies by HBPA be for the use and benefit of permittees, their employees, and others for hospital and medical benefits, and for the administrative expenses in providing these benefits.

Present law provides that monies designated for purses under present law shall be deposited by the licensee in a separate interest-bearing account when earned and shall remain in that account until the first day of the next race meeting of the appropriate breed. Requires that monies earned as interest on that account be added to those designated for purses under present law and shall be considered part of the gross purses as defined therein.

Proposed law retains present law and additionally provides that monies required to be deposited into the interest-bearing account shall be deemed earned when the race on which the wagers are placed is run. Provides that such monies shall be deposited into the interest-bearing account within 15 days of being earned; however, requires that the amounts earned pursuant to present law relative to purse supplements be deposited into the account provided for in present law within 15 days of the date on which the monies are received by the licensee.

Proposed law provides that until all monies have been distributed in accordance with present law, the HBPA shall be deemed to hold a perfected security interest in and to all funds that are deemed to have been earned pursuant to present law and that have not yet been distributed in accordance with present law.

Proposed law provides that all earned purse money not yet distributed as purses shall be deemed to be held in trust for the benefit of the HBPA by the licensee until such time as such monies are distributed in accordance with law. Requires a licensee to have a fiduciary duty to the HBPA to preserve and account for such monies.

Present law provides that, as a condition of licensing and to maintain continued authority for the conduct of slot machine gaming at a licensed eligible facility, a fixed percentage from the annual net slot machine proceeds received from slot machine gaming operations at that facility shall be distributed in certain percentages to specific entities, including the HBPA.

Proposed law provides that the HBPA shall be deemed to hold a perfected security interest in and to the 15% of the annual net slot machine proceeds received from slot machine gaming operations at the licensed eligible facility that is required to supplement purses until such purse supplements have been distributed as purses or distributed to the HBPA in accordance with present law.

Proposed law provides that all such purse supplements shall be deemed to be held in trust for the benefit of the HBPA by the licensee until such time as such monies are distributed in accordance with law. Requires a licensee to have a fiduciary duty to the HBPA to preserve and account for such purse supplements.

Present law provides that the owner of a licensed establishment shall pay 20% of the net device revenue derived from the operation of devices at that licensed establishment to be used to supplement purses for horsemen.

Proposed law provides that the HBPA shall be deemed to hold a perfected security interest in and to all revenues earned for purse supplements pursuant to proposed law until such revenues have been distributed in accordance with present law.

Proposed law provides that all purse supplements to be distributed to the HBPA shall be deemed to be held in trust for the HBPA by the licensee until disbursed in accordance with present law. Requires a licensee to have a fiduciary duty to the HBPA to preserve and account for such purse supplements.

(Amends R.S. 4:183.2; Adds R.S. 27:361(B)(4)(a)(iii) and 438(B)(5))

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Made technical change.