

HOUSE COMMITTEE AMENDMENTS

2023 Regular Session

Amendments proposed by House Committee on Commerce to Reengrossed Senate Bill No. 173 by Senator Foil

1 AMENDMENT NO. 1

2 On page 1, line 2, delete "R.S. 4:179.1 and 183.2(A)," and insert in lieu thereof "R.S.  
3 4:179.1, 183(A) and (B)(2) through (4), 183.2(A) and (B)(2)"

4 AMENDMENT NO. 2

5 On page 1, line 3, after "438(A)," insert "and to enact R.S. 4:183.2(B)(3) and (4), and R.S.  
6 27:361(B)(4)(a)(iv),"

7 AMENDMENT NO. 3

8 On page 1, delete lines 9 and 10 and insert in lieu thereof:

9 "Section 1. R.S. 4:179.1, 183(A) and (B)(2) through (4), 183.2(A) and (B)(2) are  
10 hereby amended and reenacted and R.S. 4:183.2(B)(3) and (4) are hereby enacted to read as  
11 follows:"

12 AMENDMENT NO. 4

13 On page 2, between lines 3 and 4, insert the following:

14 "§183. Contracts between licensees and permittees licensed to race horses at race  
15 meetings conducted in the state

16 A. The monies to be distributed ~~by a licensee~~ as purses to permittees licensed  
17 to race horses in Louisiana and the monies to be distributed ~~by a licensee~~ to the  
18 Horsemen's Benevolent and Protective Association for the use and benefit of such  
19 permittees, their employees, and others, for hospital and medical benefits and for the  
20 administrative expenses in providing these benefits shall be and include:

21 \* \* \*

22 B.

23 \* \* \*

24 (2) In the event the amount distributed as purses is more than the amount  
25 required by Subsection A of this Section, the overpayment shall be carried forward  
26 to the next race meeting conducted by the same association. It shall be carried on the  
27 association books as an asset: **unless and until the overpayment is remitted to the**  
28 **HBPA pursuant to R.S. 4:183.2. If remitted to the HBPA, the overpayment**  
29 **shall be carried on the HBPA books as an asset.**

30 (3) In the event the amount distributed as purses to persons licensed to race  
31 horses at thoroughbred race meetings conducted in the state is less than the amount  
32 required by this Section, and more than an amount equal to two times the average  
33 daily purse distribution at the thoroughbred race meeting at which generated, it shall  
34 be delivered to the Horsemen's Benevolent and Protective Association for further  
35 distribution to persons having earned monies during the meeting, in the direct  
36 proportion that the underpayment is to the monies earned by that person at that  
37 meeting. In the event the underpayment is less than an amount equal to two times

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 the average daily purse distribution at that meeting, it shall be retained by the  
2 association **or the HBPA** in an interest bearing account to be used for purses at the  
3 next thoroughbred meeting conducted by that association. Interest earned on the  
4 account shall be added to the purse paid over and above the amount required to be  
5 paid as purses by this Section.

6  
7 (4) In the event the amount distributed as purses to persons licensed to race  
8 horses at quarter horse race meetings conducted in the state is less than the amount  
9 required by this Section and more than an amount equal to two times the average  
10 daily purse distribution at the quarter horse race meeting at which generated, it shall  
11 be delivered to the Horsemen's Benevolent and Protective Association for further  
12 distribution to persons having earned monies during the meeting, in the direct  
13 proportion that the underpayment is to the monies earned by that person at that  
14 meeting. In the event the underpayment is less than an amount equal to two times  
15 the average daily purse distribution at that meeting, it shall be retained by the  
16 association **or the HBPA** in an interest bearing account to be used for purses at the  
17 next quarter horse meeting conducted by that association. Interest earned on the  
18 account shall be added to the purse paid over and above the amount required to be  
19 paid as purses by this Section.

20  
21 \* \* \*

22 AMENDMENT NO. 5

23 On page 2, delete line 11 and insert in lieu thereof:

24 "B.

25 \* \* \*

26 (2) Until all monies have been distributed in accordance with R.S.  
27 4:183(A)(4), the Horsemen's Benevolent and Protective Association **or all member**  
28 **and other horsemen in the state and all other persons or entities that receive**  
29 **purse or purse supplement funds** shall be deemed to hold a perfected security  
30 interest in and to all funds that are deemed to have been earned pursuant to this  
31 Section and that have not yet been distributed in accordance with R.S. 4:183(A)(4).  
32 All earned purse money not yet distributed as purses shall be deemed to be held in  
33 trust for the benefit of the Horsemen's Benevolent and Protective Association by the  
34 licensee until such time as such monies are distributed in accordance with law. ~~A~~  
35 ~~licensee shall have a fiduciary duty to the Horsemen's Benevolent and Protective~~  
36 ~~Association to preserve and account for such monies.~~ **or remitted to the HBPA**  
37 **pursuant to Subsection A of this Section. Following the remittance to the HBPA**  
38 **by the licensee, all earned purse money not yet distributed shall be deemed to**  
39 **be held in trust for the benefit of all member and other horsemen in the state**  
40 **and all other persons or entities that receive purse funds by the HBPA until**  
41 **such time as the monies are distributed in accordance with the law.**

42 (3) **A licensee shall have a fiduciary duty to the Horsemen's Benevolent**  
43 **and Protective Association to preserve and account for such monies until such**  
44 **monies are remitted to the HBPA. Once the licensee remits the monies**  
45 **designated for purses in accordance with R.S. 4:183(A) to the HBPA pursuant**  
46 **to Subsection A of this Section, it shall have no fiduciary duty to the HBPA, any**  
47 **member or other horsemen, or any person or entity that receives purse funds**  
48 **to preserve and account for such monies and shall be indemnified against any**  
49 **loss of monies or other circumstance causing the amount of funds to be less than**  
50 **what the licensee remitted to the HBPA. The HBPA shall have a fiduciary duty**  
51 **to all member and other horsemen in the state and all other persons or entities**  
52 **that receive purse funds to preserve and account for such monies.**

1           **(4) The account containing the monies remit to the HBPA pursuant to**  
2           **Subsection A of this Section shall be subject to audit at all times by the**  
3           **legislative auditor and shall be included in the annual audit required by R.S.**  
4           **4:185.1."**

5           AMENDMENT NO. 6

6           On page 2, line 13, after "reenacted" and before "to" insert "and R.S. 27:361(B)(4)(a)(iv) is  
7           enacted"

8           AMENDMENT NO. 7

9           On page 2, line 24, delete "pay" and insert "**transfer**"

10          AMENDMENT NO. 8

11          On page 3, delete lines 12 through 14 and insert in lieu thereof

12                 "are distributed in accordance with law. A licensee shall have a fiduciary duty to the  
13                 Horsemen's Benevolent and Protective Association to preserve and account for such  
14                 purse supplements. **or transferred to the Horsemen's Benevolent and Protective**  
15                 **Association pursuant this Paragraph. The purse supplements transferred by the**  
16                 **licensee to the Horsemen's Benevolent and Protective Association as required**  
17                 **in Subparagraph (a) of this Paragraph and not yet distributed shall be deemed**  
18                 **to be held in trust for the benefit of all member and other horsemen in the state**  
19                 **and all other persons or entities that receive purse supplements by the**  
20                 **Horsemen's Benevolent and Protective Association until such time as the monies**  
21                 **are distributed in accordance with the law.**

22                 **(iv) A licensee shall have a fiduciary duty to the Horsemen's Benevolent**  
23                 **and Protective Association to preserve and account for only the purse**  
24                 **supplements in its control. Once the licensee transfers purse supplements to the**  
25                 **Horsemen's Benevolent and Protective Association, it shall have no fiduciary**  
26                 **duty to Horsemen's Benevolent and Protective Association, any member or**  
27                 **other horsemen, or any person or entity that receive purse supplements to**  
28                 **preserve and account for the transferred purse supplements and shall be**  
29                 **indemnified against any loss or other circumstance causing the amount of purse**  
30                 **supplements to be less than what the licensee transferred to the Horsemen's**  
31                 **Benevolent and Protective Association and the Horsemen's Benevolent and**  
32                 **Protective Association shall have a fiduciary duty to all member and other**  
33                 **horsemen in the state and all other persons or entities that receive purse**  
34                 **supplements to preserve and account for such purse supplements. The account**  
35                 **containing the purse supplements transferred to the Horsemen's Benevolent and**  
36                 **Protective Association pursuant to this Paragraph shall be subject to audit at**  
37                 **all times by the legislative auditor and shall be included in the annual audit**  
38                 **required by R.S. 4:185.1."**

39          AMENDMENT NO. 9

40          On page 3, line 18, change "A." to "**A.(1)**"

41          AMENDMENT NO. 10

42          On page 3, line 21, after "**Benevolent**" and before "**Protective**" insert "**and**"

43          AMENDMENT NO. 11

44          On page 3, line 23, change "**HBPA**" to "**Horsemen's Benevolent and Protective**  
45          **Association**"

1 AMENDMENT NO. 12

2 On page 3, in between lines 24 and 25, insert the following:

3 "(2) The Horsemen's Benevolent and Protective Association shall have  
 4 a fiduciary duty to all member and other horsemen in the state and all persons  
 5 or entities that receive purse supplements to preserve and account for such  
 6 purse supplements. The account containing the purse supplements transferred  
 7 to the Horsemen's Benevolent and Protective Association pursuant to this  
 8 Subsection shall be subject to audit at all times by the legislative auditor and  
 9 shall be included in the annual audit required by R.S. 4:185.1. The licensee shall  
 10 have no fiduciary duty to the Horsemen's Benevolent and Protective  
 11 Association, any member or other horsemen, or any person or entity that  
 12 receive purse supplements to preserve and account for the transferred purse  
 13 supplements and shall be indemnified against any loss or other circumstance  
 14 causing the amount of purse supplements to be less than what the licensee  
 15 transferred to the Horsemen's Benevolent and Protective Association."