SLS 19RS-35 REENGROSSED

2019 Regular Session

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SENATE BILL NO. 153

BY SENATOR MARTINY

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

GAMING. Provides relative to sports wagering. (See Act)

2 To amend and reenact R.S. 13:4721, R.S. 14:90(C), 90.3(F), and 90.5(B) and (C), R.S. 27:3(24), 15(B)(1), 29(F), (H), and (I), 29.2(D), 29.3(D), 44(10), (12), and (14), 3 58(5), 65(B)(11), 205(12) and (13), 239.1, 353(2) and (4.1), 361(F), 364(A)(1)(c)(ii) 4 5 and (A)(5), 371(C), 372(B) and (C), and 375(D), and to enact R.S. 18:1300.24, and R.S. 27:3(25) and (26), 15(B)(8)(c), and 29.2.1, and Chapter 10 of Title 27 of the 6 7 Louisiana Revised Statutes of 1950, to be comprised of R.S. 27:601 through 608, 8 relative to sports wagering; to require an election to authorize sports wagering; to 9 provide for definitions; to provide regarding permits; to provide regarding sports 10 wagering certificates; to provide regarding the duties and powers of the Gaming 11 Control Board; to provide regarding rulemaking; to provide regarding prohibited wagers; to provide for an effective date; and to provide for related matters. 12

AN ACT

364(A)(1)(c)(ii) and (A)(5), 371(C), 372(B) and (C), and 375(D) are hereby amended and

(12), and (14), 58(5), 65(B)(11), 205(12) and (13), 239.1, 353(2) and (4.1), 361(F),

Notice of intention to introduce this Act has been published.

Section 1. R.S. 27:3(24), 15(B)(1), 29(F), (H), and (I), 29.2(D), 29.3(D), 44(10),

Be it enacted by the Legislature of Louisiana:

1 reenacted and R.S. 27:3(25) and (26), 15(B)(8)(c), and 29.2.1, and Chapter 10 of Title 27 of 2 the Louisiana Revised Statutes of 1950, comprised of R.S. 27:601 through 608, are hereby 3 enacted to read as follows: 4 §3. Definitions For the purposes of this Title, the following terms have the following 5 meanings, unless the context clearly indicates otherwise: 6 7 8 (24) "Sports wagering service provider" means a person who has entered 9 into a contract with the holder of a sports wagering certificate issued pursuant 10 to the provisions of Chapter 10 of this Title to manage, administer, or control 11 sports wagering for the certificate holder. 12 (25) "Sports wagering service provider permit" means the permit of a 13 sports wagering service provider. (26) "Suitable", "suitability", or "suitability requirements" means the criteria 14 15 provided for in R.S. 27:28. 16 §15. Board's authority; responsibilities 17 18 19 B. The board shall: (1) Have all regulatory authority, control, and jurisdiction, including 20 investigation, licensing, and enforcement, and all power incidental or necessary to 21 such regulatory authority, control, and jurisdiction over all aspects of gaming 22 activities and operations as authorized pursuant to the provisions of the Louisiana 23 24 Riverboat Economic Development and Gaming Control Act, the Louisiana Economic Development and Gaming Corporation Act, the Video Draw Poker 25 Devices Control Law, the Sports Wagering Control Law, and the Louisiana 26 27 Fantasy Sports Contests Act, except as otherwise specified in this Title. Further, the

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board shall have all regulatory, enforcement, and supervisory authority which exists

in the state as to gaming on Indian lands as provided in the provisions of Act No. 888

1	of the 1990 Regular Session of the Legislature and Act No. 817 of the 1993 Regular
2	Session of the Legislature.
3	* * *
4	(8)
5	* * *
6	(c) Adopt, pursuant to the Administrative Procedure Act and as
7	specifically provided for in R.S. 27:605, all rules necessary to implement,
8	administer, and regulate sports wagering as authorized by Chapter 10 of this
9	<u>Title.</u>
10	* * *
11	§29. Permit required; terms; disposition of fees
12	* * *
13	F. The term of a permit issued pursuant to the provisions of R.S. 27:29.1,
14	29.2, <b>29.2.1</b> , 29.3, and 86 shall be for five years.
15	* * *
16	H. The division shall collect all fees assessed pursuant to the provisions of
17	R.S. 27:29.1, 29.2, <b>29.2.1,</b> 29.3, and 29.4. The division shall deposit the fees in
18	accordance with the provisions of R.S. 27:92.
19	I. The failure to remain current in the payment of any fee assessed pursuant
20	to the provisions of R.S. 27:29.1, 29.2, 29.2.1, 29.3, or 29.4 shall result in the
21	suspension of the permit.
22	* * *
23	§29.2. Gaming supplier permits
24	* * *
25	D. A supplier shall furnish to the board a list of any gaming equipment and
26	supplies offered by the supplier for sale or lease in connection with games authorized
27	under this Title. A supplier shall keep books and records for the furnishing of gaming
28	equipment and supplies to gaming operations separate and distinct from any other
29	business that the supplier might operate. A supplier shall file a quarterly return with

the board listing all sales and leases. A supplier shall permanently affix its name to all its gaming devices, equipment, and supplies for gaming operations unless otherwise authorized by the board. Any supplier's gaming devices, equipment, or supplies which are used by any person in unauthorized gaming operations shall be forfeited to the board. The holder of a license as defined in R.S. 27:44(14), R.S. 27:353(5), and 27:44(15) or 353(5), the casino gaming operator, or a sports wagering service provider as defined in R.S. 27:602(16) may own its own gaming devices, equipment, and supplies. Each supplier, the holder of a license as defined in R.S. 27:44(14), R.S. 27:353(5), and 27:44(15) or 353(5), the casino gaming operator, and each sports wagering service provider as defined in R.S. 27:602(16) shall file an annual report with the board listing its inventories of gaming devices, equipment, and supplies.

\* \*

## §29.2.1. Sports wagering service provider permits

A.(1) The board shall issue a sports wagering service provider permit to any suitable person who desires to contract to manage, administer, and control sports wagers for a holder of a license as defined in R.S. 27:44(15) or 353(5) or the casino gaming operator.

(2) A person shall not contract to manage, administer, or control sports wagers unless the person possesses a sports wagering service provider permit.

B. A sports wagering service provider shall keep books and records for the management, administering, and controlling of sports wagering authorized under this Title and for services for which it is contracted by a licensee or operator. The keeping of books and records shall be separate and distinct from any other business the sports wagering service provider might operate. A sports wagering service provider shall file a quarterly return with the board listing all of its contracts and services related to sports wagering authorized under this Title.

§29.3. Non-gaming supplier permit

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2	D. The hold

D. The holder of a license as defined in R.S. 27:44 or 353, or the casino gaming operator, or a sports wagering service provider as defined in R.S. 27:602 shall ensure that all persons required to be licensed or permitted, or persons performing regulated tasks who are supplied by contractual agreement or otherwise, are properly licensed or permitted pursuant to this Title.

\* \* \*

#### §44. Definitions

When used in this Chapter, the following terms shall mean:

\* \* \*

(10)(a) "Game" means any banking or percentage game which is played with cards, dice, or any electronic, electrical, or mechanical device or machine for money, property, or any thing of value. "Game" does not include a lottery, bingo, pull tabs, raffles, electronic video bingo, cable television bingo, dog race wagering, or any wagering on any type of sports event, including but not limited to football, basketball, baseball, hockey, boxing, tennis, wrestling, jai alai, or other sports contest or event. Game "Game" shall also include racehorse wagering.

(b) Notwithstanding any provision of Subparagraph (a) of this Paragraph to the contrary, "game" shall include sports wagering as authorized in Chapter 10 of this Title with a licensee to whom the board has issued a sports wagering certificate as defined in R.S. 27:602.

\* \* \*

(12)(a) "Gaming device" or "gaming equipment" means any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or machine, including a slot machine, used directly or indirectly in connection with gaming or any game, which affects the result of a wager by determining wins or losses.

(b) For a licensee to whom the board has issued a sports wagering certificate as defined in R.S. 27:602, "gaming device" or "gaming equipment" shall also include any equipment or mechanical, electro-mechanical, or

1	electronic contrivance, component, or machine used directly or indirectly in
2	connection with sports wagering.
3	* * *
4	(14)(a) "Gaming position" means a gaming device seat or a space at a table
5	game. Each gaming device seat shall be counted as one position and each space at
6	a table game shall be counted as one position, subject to the rules and regulations of
7	the board. The board shall specifically provide by rule for the counting of gaming
8	positions for devices and games where seats and spaces are not readily countable.
9	(b) For a licensee to whom the board has issued a sports wagering
10	certificate as defined in R.S. 27:602, "gaming position" shall also include a self-
11	service wagering machine or self-service kiosk or a wagering window space
12	where a sports wager is accepted and each space, machine, or kiosk where a
13	sports wager is accepted shall be counted as one position, subject to the rules
14	and regulations of the board.
15	* * *
16	§58. Division responsibilities
17	The division shall:
18	* * *
19	(5) Require all licensees to utilize a cashless wagering system, except for
20	racehorse wagering, sports wagering, and the play of slot machines, whereby all
21	players' money is converted to tokens, electronic cards, or chips used only for
22	wagering in the gaming establishment.
23	* * *
24	§65. Licenses to conduct gaming activities upon riverboats; limitations
25	* * *
26	B. Gaming shall be conducted aboard riverboats, subject to the following
27	requirements:
28	* * *
29	(11) Except for racehorse wagering, sports wagering, and the play of slot

machines, gaming wagers may be made only with tokens, chips, vouchers, coupons, or electronic cards issued by the licensee. Such tokens, chips, vouchers, coupons, or electronic cards may be used while aboard the riverboat only for the purpose of making wagers on gaming games. Electronic cards may be used which are affixed with a magnetic storage media, a "smart card" or those containing an integrated circuit chip, but excluding credit cards issued by any other entity or institution or cards which automatically withdraw funds from a credit, savings, or checking account held at a depository institution as defined by Section 3 of the Federal Deposit Insurance Act, which includes any credit union.

\* \* \*

§205. Definitions

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

13 \* \* \*

(12)(a) "Game" means any banking or percentage game located exclusively within an official gaming establishment which is played with cards, dice, or any electronic, electrical, or mechanical device or machine for money, property, or any thing of value. Game "Game" does not include lottery, bingo, charitable games, raffles, electronic video bingo, pull tabs, cable television bingo, wagering on dog or horse races, sports betting, or wagering on any type of sports event, inclusive but not limited to football, basketball, baseball, hockey, boxing, tennis, wrestling, jai alai, or other sports contest or event.

(b) Notwithstanding any provision of Subparagraph (a) of this Paragraph to the contrary, "game" shall include sports wagering as authorized in Chapter 10 of this Title if the board has issued the casino gaming operator a sports wagering certificate as defined in R.S. 27:602.

(13)(a) "Gaming device" means any equipment or mechanical, electromechanical, or electronic contrivance, component, or machine used directly or indirectly in connection with gaming or any game which affects the result of a wager by determining win or loss. The term includes a system for processing

1 information which can alter the normal criteria of random selection, which affects 2 the operation of any game, or which determines the outcome of a game. The term 3 does not include a system or device which affects a game solely by stopping its operation so that the outcome remains undetermined. 4 5 (b) If the casino gaming operator has been issued a sports wagering certificate by the board to conduct sports wagering in accordance with Chapter 6 7 10 of this Title, "gaming device" shall also include any equipment or 8 mechanical, electro-mechanical, or electronic contrivance, component, or 9 machine used directly or indirectly in connection with sports wagering. 10 11 §239.1. Wagering at the official gaming establishment 12 Wagering A. Except as provided in Subsection B of this Section, wagering 13 at the official gaming establishment may be made with tokens, chips, vouchers, coupons, or electronic cards issued by the casino gaming operator or an approved 14 casino manager acting on behalf of the casino gaming operator. Electronic cards may 15 16 be used which are affixed with a magnetic storage media, a "smart card" or those containing an integrated circuit chip, but excluding credit cards issued by any other 17 entity or institution or cards which automatically withdraw funds from a credit, 18 19 savings, or checking account held at a depository institution as defined by Section 20 3 of the Federal Deposit Insurance Act, which includes any credit union. 21 B. Notwithstanding any provision of Subsection A of this Section to the 22 contrary, if the casino gaming operator is issued a sports wagering certificate by the board to conduct sports wagering in accordance with Chapter 10 of this 23 24 Title, sports wagers at the official gaming establishment shall be made in cash or through a patron's verified wagering account. 25 26

§353. Definitions

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

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1 (2) "Designated slot machine gaming area" means the contiguous area of an 2 eligible live racing facility at which slot machine gaming may be conducted in 3 accordance with the provisions of this Chapter, determined by measuring the area, 4 in square feet, inside the interior walls of the licensed eligible facility, excluding any 5 space therein in which gaming activities may not be conducted, such as bathrooms, 6 stairwells, cage and beverage areas, and emergency evacuation routes of any width 7 that meet or exceed the minimum size required by law. 8 9 (4.1) "Emergency evacuation route" means those areas within the designated 10 slot machine gaming area of a licensed eligible facility which are clearly defined and 11 identified by the licensee as necessary and approved by the state fire marshal or other 12 federal or state regulatory agency for the evacuation of patrons and employees from 13 the facility, and from which and in which no gaming activity may occur. 14 §361. Conduct of slot machine gaming; temporary conduct 15 16 F.(1) Wagering at an eligible live racing facility may be made with tokens, 17 chips, vouchers, coupons, or electronic cards issued by the licensed eligible facility 18 19 or an approved facility manager acting on behalf of the facility. Electronic cards may be used which are affixed with a magnetic storage media, a "smart card" or those 20 21 containing an integrated circuit chip, but excluding credit cards issued by any other 22 entity or institution or cards which automatically withdraw funds from a credit, savings, or checking account held at a depository institution as defined by Section 23 24 3 of the Federal Deposit Insurance Act, which includes any credit union. (2) Notwithstanding any provision of Subsection A of this Section to the 25 contrary, if the holder of a license as defined in R.S. 27:353(5) is issued a sports 26

cash or through a patron's verified wagering account.

wagering certificate by the board to conduct sports wagering in accordance with

Chapter 10 of this Title, sports wagers at the eligible facility may be made in

1	* * *
2	§364. Gaming Control Board; powers and duties
3	A. The board shall:
4	(1)
5	* * *
6	(c) Such rules may include:
7	* * *
8	(ii) Requiring certain minimum physical security standards be observed in
9	designated slot machine gaming areas.
10	* * *
11	(5) Approve the location, plans, and construction of the designated slot
12	machine gaming area in an eligible facility.
13	* * *
14	§371. Prohibition on operation of video draw poker devices; prohibition on any
15	other type of game
16	* * *
17	C. Nothing Except sports wagering conducted by the holder of a license
18	defined in R.S. 27:353(5) that possesses a valid sports wagering certificate issued
19	by the board, nothing in this Chapter shall be construed to permit the operation or
20	play of any type of game the play of which requires the participation of an employee
21	of the licensee.
22	§372. Slot machine gaming Gaming area limitations
23	* * *
24	B.(1) No gaming devices other than slot machines and authorized pari-mutuel
25	wagering devices and equipment shall be in the designated slot machine gaming
26	area.
27	(2) Notwithstanding Paragraph (1) of this Subsection to the contrary, if
28	the holder of a license as defined in R.S. 27:353(5) is issued a sports wagering
29	certificate by the board to conduct sports wagering in accordance with Chapter

1	10 of this Title, authorized sen-service sports wagering machines of sen-service
2	kiosks or window spaces where sports wagers are accepted and any equipment
3	associated therewith may also be in the gaming area.
4	C.(1) As used in this Section, "gaming position" means a slot machine seat.
5	Each slot machine seat shall be counted as one position, subject to the rules and
6	regulations of the board. The board shall specifically provide by rule for the counting
7	of gaming positions for devices and games where seats and spaces are not readily
8	countable.
9	(2) Notwithstanding Paragraph (1) of this Subsection to the contrary, if
10	the holder of a license as defined in R.S. 27:353(5) is issued a sports wagering
11	certificate by the board to conduct sports wagering in accordance with Chapter
12	10 of this Title, "gaming position" shall also include a self-service sports
13	wagering machine or self-service kiosk or a wagering window space where
14	sports wagers are accepted. Each machine or kiosk or space shall be counted
15	as one position, subject to the rules and regulations of the board.
16	(3) Notwithstanding Paragraphs (1) and (2) of this Subsection, a
17	wagering window space or kiosk at which wagers were lawfully accepted prior
18	to the effective date of Chapter 10 of Title 27 shall not be counted as a "gaming
19	position" if the wagering window space or kiosk is remodeled, re-purposed,
20	relocated, or replaced for the purpose of conducting sports wagering.
21	* * *
22	§375. Crimes and penalties; false statements; unauthorized slot machines;
23	skimming of slot machine proceeds; payroll check cashing; gambling
24	devices
25	* * *
26	D. Any owner of an eligible facility who has been granted a license to operate
27	slot machine gaming who cashes or accepts for cashing or permits any employee or
28	other person to cash or accept for cashing an identifiable employee payroll check in

the designated slot machine gaming area shall, upon conviction, be imprisoned for

1 not more than six months or fined not more than five thousand dollars, or both. 2 CHAPTER 10. SPORTS WAGERING CONTROL ACT 3 §601. Title 4 5 This Chapter shall be cited and referred to as "The Louisiana Sports 6 Wagering Control Act". 7 §602. Definitions 8 Unless the context clearly indicates otherwise, when used in this Chapter, 9 the following terms shall mean: 10 (1) "Applicant" means a person who has submitted an application to the 11 board seeking a certificate or permit, or the renewal thereof. 12 (2) "Application" means the forms and schedules prescribed by the 13 board upon which an applicant seeks a certificate or permit or the renewal thereof. Application also includes information, disclosure statements, and 14 financial statements submitted by an applicant as part of an application. 15 16 (3) "Board" has the same meaning as that term has in R.S. 27:3. (4) "Division" has the same meaning as that term has in R.S. 27:3. 17 (5) "Game" means a wager on a sports event or sporting event approved 18 19 by the board. (6) "Gaming activities" or "gaming operations" means the use, 20 21 operation, or conducting of any sports wagering at a riverboat, eligible facility, 22 or official gaming establishment including all activities related to and integral to the operation and profitability of the licensee or casino gaming operator, 23 24 including accounting procedures and internal controls. (7) "Gaming device" or "gaming equipment" means any equipment or 25 26 mechanical, electro-mechanical, or electronic contrivance, component, or 27 machine, used directly or indirectly in connection with a sports wagering 28 system. 29 (8) "Gaming position" means a sports wagering self-service machine or

1	(ii) The outcome of the sports event can be generated by a reliable and
2	independent process.
3	(iii) The outcome of the sports event is not affected by any wager placed.
4	(iv) The sports event is conducted in conformity with applicable laws,
5	rules, and regulations, including the rules governing the sports event.
6	(b) The term "sports wagering" may also include proposition wagers on
7	novelty occurrences or nonoccurrences, or individual players over a broad
8	spectrum of possibilities within a sports event that are not dependent on the
9	final outcome of the sports event as approved by the board.
10	(15) "Sports wagering certificate" means a certificate issued by the
11	board to the holder of a license as defined in R.S. 27:44 or 353 or the casino
12	gaming operator that authorizes the conducting of sports wagering by the
13	licensee or operator located in a parish that approved sports wagering at an
14	election called for that purpose.
15	(16) "Sports wagering service provider" has the same meaning as that
16	term has in R.S. 27:3.
17	(17) "Sports wagering system" means the methodology and equipment
18	approved by the board for accepting and recording sports wagers.
19	(18) "Suitable", "suitability", or "suitability requirements" have the
20	same meaning as those terms have in R.S. 27:3.
21	§603. Sports wagering gaming activities
22	A. Gaming activities relative to sports wagering may be conducted within
23	the approved gaming area provided all of the following requirements are met:
24	(1) A majority of the qualified electors in the parish voting at a
25	proposition election called for that purpose in accordance with R.S. 18:1300.24
26	where the sports wagering is taking place voted in favor of permitting sports
27	wagering.
28	(2) The holder of a license defined in R.S. 27:44 or 353 or the casino
29	gaming operator has been awarded a sports wagering certificate by the board

1	to conduct sports wagering at its riverboat, eligibility facility, or the official
2	gaming establishment.
3	(3) The sports wagering is taking place within the designated gaming
4	area or the official gaming establishment of the holder of a license as defined in
5	R.S. 27:44 or 353 or the casino gaming operator, as appropriate.
6	(4) The gaming activities relative to sports wagering are being conducted
7	in accordance with this Chapter and all rules, regulations, and requirements of
8	the board.
9	B.(1) A sports wagering certificate holder or sports wagering service
10	provider permittee may accept wagers on an approved sports event at a
11	wagering window or through self-service wagering machines or self-service
12	kiosks.
13	(2) Except as provided in R.S. 27:372, each machine, kiosk, or window
14	shall be counted as a single gaming position.
15	§604. Sports wagering certificate; requirements
16	A. The securing of a sports wagering certificate required under the
17	provisions of this Chapter shall be a prerequisite for conducting, operating, or
18	performing any activity regulated pursuant to this Chapter.
19	B. Beginning January 1, 2020, in any parish in which sports wagering
20	has been approved by the voters, a holder of a license as defined in R.S. 27:44
21	or 353 or the casino gaming operator desiring to obtain a sports wagering
22	certificate for its riverboat, eligible facility, or official gaming establishment
23	located in the parish shall make application to the board on a form and in a
24	manner prescribed by the board. The application forms shall be provided by the
25	board and shall contain such information as required by this Chapter and by
26	rules and regulations promulgated by the board. No application shall be
27	accepted unless the board determines that all relevant requirements of this
28	Chapter have been met.
29	C. No certificate to conduct sports wagering shall be issued unless the

SB NO. 153 1 board finds: 2 (1) That the applicant is capable of conducting sports wagering, which 3 means that the applicant can demonstrate the capability through training, education, business experience, or a combination thereof, to operate sports 4 5 wagering. (2) That the applicant's submission of a detailed plan of design of the 6 7 areas of its riverboat, eligible facility, or official gaming establishment to be 8 used for sports wagering are acceptable. 9 D. Only after the application is approved by the board and the board has 10 received payment of applicable fees and issued the sports wagering certificate 11 to the licensee or operator may the licensee or casino gaming operator conduct 12 sports wagering. E. A sports wagering certificate shall not be transferrable; however, the 13 14 holder may contract with a sports wagering service provider to manage, 15 administer, or control sports wagers provided the sports wagering service 16 provider has been issued a permit as provided in R.S. 27:29.2.1. 17 §605. Gaming Control Board; duties and powers A. The board shall adopt, pursuant to the Administrative Procedure Act, 18 19 all rules necessary to implement, administer, and regulate sports wagering as authorized by this Chapter. At a minimum, the rules shall include the 20 21 following: 22 (1) Standards and procedures to govern the conduct of sports wagering, including but not limited to standards and procedures for the approval of a 23 24 sports event for wagering under the provisions of this Chapter and the approval 25 of the system of wagering.

(2) The method for calculating gross sports wagering revenue and standards for the daily counting and recording of cash and cash equivalents received in the conduct of sports wagering, including ensuring that internal controls are followed, financial books and records are maintained, and audits

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1 are conducted. 2 (3) The amount of cash reserves to be maintained to cover winnings by 3 the sports wagering certificate holder and sports wagering service provider permittee. 4 5 (4) Notice requirements pertaining to minimum and maximum wagers 6 on sports wagering. 7 (5) Compulsive and problem gambling standards pertaining to sports 8 wagering consistent with this Title. 9 (6) Standards prohibiting persons under twenty-one years of age from 10 participating in sports wagering. 11 (7) Requirements that each sports wagering certificate holder and sports 12 wagering service provider permittee shall: 13 (a) Provide written information to sports wagering patrons about sports 14 wagering rules, payouts or winning wagers, and other information as the board 15 may require. 16 (b) Provide specifications approved by the board to integrate and update the casino's or eligible facility's surveillance system to cover all areas where 17 sports wagering is conducted. The specifications shall include provisions 18 19 providing the board and other persons authorized by the board with onsite 20 access to the surveillance system or its signal. 21 (c) Designate one or more locations within the designated gaming area 22 or official gaming establishment to conduct sports wagering. (d) Ensure that visibility of each sports wagering area in the casino or 23 24 eligible facility is not obstructed in any way that could interfere with the ability 25 of the sports wagering certificate holder, the board, and other persons authorized under this Title or by the board to oversee the surveillance of the 26 27 conduct of sports wagering. 28 (e) Integrate the casino's or eligible facility's count room to ensure

maximum security of the counting and storage of cash and cash equivalents.

areas are restricted to persons at least twenty-one years of age or older.

1	A. For the purposes of this Sub-part, Subpart, or for the purposes of any
2	action or prosecution hereunder in this Section, a gambling house is either:
3	(1) any Any place whatever whatsoever where any game of chance of any
4	kind or character is played for money, for wagers, or for tokens, and where the
5	conduct of such place operates, directly or indirectly, to the profit of one or more
6	individuals and not exclusively to the direct profit of the actual participants in such
7	game <del>; and</del> .
8	(2) any Any place whatsoever where races, athletic contests, and sports, and
9	games are not actually held and where opportunity is afforded for wagering upon
10	races, athletic contests, sports, and games of chance.
11	B. All gambling houses as herein defined defined in this Section are
12	declared to be public nuisances, and the owner owners thereof, and the agent agents
13	for such owner, owners, or the lessee, sublessee lessees, sublessees, or other
14	occupants thereof are declared to be guilty of maintaining a public nuisance.
15	C. The provisions of this Subpart shall not apply to any place where
	sports wagering activities are being conducted by a sports wagering certificate
16	sports wagering activities are being conducted by a sports wagering certificate
16 17	holder in accordance with Chapter 10 of Title 27.
17	holder in accordance with Chapter 10 of Title 27.
17 18	holder in accordance with Chapter 10 of Title 27.  Section 3. R.S. 14:90(C), 90.3(F), and 90.5(B) and (C) are hereby amended and
17 18 19	holder in accordance with Chapter 10 of Title 27.  Section 3. R.S. 14:90(C), 90.3(F), and 90.5(B) and (C) are hereby amended and reenacted to read as follows:
17 18 19 20	holder in accordance with Chapter 10 of Title 27.  Section 3. R.S. 14:90(C), 90.3(F), and 90.5(B) and (C) are hereby amended and reenacted to read as follows:  §90. Gambling
17 18 19 20 21	holder in accordance with Chapter 10 of Title 27.  Section 3. R.S. 14:90(C), 90.3(F), and 90.5(B) and (C) are hereby amended and reenacted to read as follows:  §90. Gambling  * * * *
17 18 19 20 21 22	holder in accordance with Chapter 10 of Title 27.  Section 3. R.S. 14:90(C), 90.3(F), and 90.5(B) and (C) are hereby amended and reenacted to read as follows:  §90. Gambling  * * *  C. The conducting or assisting in the conducting of gaming activities or
17 18 19 20 21 22 23	holder in accordance with Chapter 10 of Title 27.  Section 3. R.S. 14:90(C), 90.3(F), and 90.5(B) and (C) are hereby amended and reenacted to read as follows:  §90. Gambling  * * *  C. The conducting or assisting in the conducting of gaming activities or operations, including sports wagering, upon a riverboat, at the official gaming
17 18 19 20 21 22 23 24	holder in accordance with Chapter 10 of Title 27.  Section 3. R.S. 14:90(C), 90.3(F), and 90.5(B) and (C) are hereby amended and reenacted to read as follows:  §90. Gambling  * * *  C. The conducting or assisting in the conducting of gaming activities or operations, including sports wagering, upon a riverboat, at the official gaming establishment, by operating an electronic video draw poker device, by a charitable
17 18 19 20 21 22 23 24 25	holder in accordance with Chapter 10 of Title 27.  Section 3. R.S. 14:90(C), 90.3(F), and 90.5(B) and (C) are hereby amended and reenacted to read as follows:  §90. Gambling  * * *  C. The conducting or assisting in the conducting of gaming activities or operations, including sports wagering, upon a riverboat, at the official gaming establishment, by operating an electronic video draw poker device, by a charitable gaming licensee, or at a pari-mutuel wagering facility, conducting slot machine

Louisiana Revised Statutes of 1950, is not gambling for the purposes of this Section,

2 3 §90.3. Gambling by computer 4 F. The conducting or assisting in the conducting of gaming activities or 5 operations, including sports wagering, upon a riverboat, at the official gaming 6 7 establishment, by operating an electronic video draw poker device, by a charitable 8 gaming licensee, or at a pari-mutuel wagering facility, conducting slot machine 9 gaming at an eligible horse racing facility, or the operation of a state lottery which 10 is licensed for operation and regulated under the provisions of Chapters 4 and 11 of 11 Title 4, Chapters 4, 5, 6, and 7, and 10 of Title 27, or Subtitle XI of Title 47 of the 12 Louisiana Revised Statutes of 1950, shall not be considered gambling by computer 13 for the purposes of this Section, so long as the wagering is done on the premises of the licensed establishment. 14 15 16 §90.5. Unlawful playing of gaming devices by persons under the age of twenty-one; 17 underage persons, penalty 18 19 B. No person under the age of twenty-one, except an emergency responder acting in his official capacity, shall enter, or be permitted to enter, the designated 20 gaming area of a riverboat, the designated gaming area of the official gaming 21 establishment, or the designated slot machine gaming area of a pari-mutuel wagering 22 facility which offers live horse racing licensed for operation and regulated under the 23 24 applicable provisions of Chapters 4, 5, and 7, and 10 of Title 27 of the Louisiana Revised Statutes of 1950. 25 C. For purposes of this Section, "casino games, gaming devices, or slot 26 27 machines" means a game or device, as defined in R.S. 27:44(10) or (12), 205(12) or 28 (13), or 353(14), or 602(5) or (7) operated on a riverboat, at the official gaming 29 establishment, or at a pari-mutuel wagering facility which offers live horse racing

so long as the wagering is conducted on the premises of the licensed establishment.

1	which is licensed for operation and regulated under the provisions of Chapters 4, 5,
2	and 7, and 10 of Title 27 of the Louisiana Revised Statutes of 1950.
3	* * *
4	Section 4. R.S. 18:1300.24 is hereby enacted to read as follows:
5	§1300.24. Sports wagering gaming election; procedure
6	A. At the statewide election occurring on October 12, 2019, a proposition
7	shall appear on the ballot in every parish to determine whether sports wagering
8	shall be permitted in the parish in accordance with the provisions of Title 27 of
9	the Louisiana Revised Statutes of 1950.
10	B. The ballot for the election shall state as follows:
11	"PROPOSITION TO AUTHORIZE SPORTS WAGERING.
12	Shall sports wagering be permitted in the parish of ?
13	YES () NO ()"
14	C.(1) If a majority of the qualified electors in the parish voting on the
15	proposition vote in favor of permitting sports wagering in the parish, then such
16	wagering, in accordance with the provisions of Title 27 of the Louisiana Revised
17	Statutes of 1950, shall be permitted.
18	(2) If a majority of the qualified electors in the parish voting on the
19	proposition vote against permitting sports wagering in the parish, then such
20	wagering shall not be permitted.
21	D. Except as otherwise provided in this Section, the election shall be
22	conducted as provided in Chapter 6-B of this Title including but not limited to
23	the provisions providing for notice to the public as provided by law.
24	Section 5. Sections 1, 2, and 3 of this Act shall take effect and become operative if
25	and when laws become operative and effective regarding permit and certificate fees for the
26	conducting of sports wagering.
27	Section 6. Sections 4 and 5 of this Act and this Section shall become effective upon
28	signature by the governor or, if not signed by the governor, upon expiration of the time for
29	bills to become law without signature by the governor, as provided by Article III, Section

1 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved

2 by the legislature, this Act shall become effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Dawn Romero Watson.

## DIGEST 2019 Regular Session

SB 153 Reengrossed

Martiny

<u>Proposed law</u> provides for a statewide election (decided on a parish-by-parish basis) to authorize the wagering in Louisiana on sports events. Provides that if approved by the voters of a particular parish, a licensed riverboat (Riverboat) or live horse racing facility with a licensed slot machine gaming area (Track) or the land-based casino gaming operator (Land-Based Casino) located in that parish may offer sports wagering. Requires the Riverboat, Track, or Land-Based Casino to apply to the Gaming Control Board (board) for a sports wagering certificate and be approved for such before conducting sports wagering.

<u>Present law</u> provides for manufacturer, gaming supplier, nongaming supplier, and key and nonkey gaming employee permits for manufacturers and suppliers who seek to do business and individuals who seek employment with Riverboats, Tracks, or the Land-Based Casino. Requires the manufacturer, supplier, or employee to secure the permit from the board before performing any activity for which a permit is required.

<u>Proposed law</u> adds sports wagering service provider to the list of <u>present law</u> permittees and defines a sports wagering service provider as a person who contracts with the holder of a sports wagering certificate to manage, administer, and control sports wagers for a Riverboat, Track, or the Land-Based Casino.

## **RIVERBOATS**

<u>Present law</u> defines "game". Provides, among other exclusions, that "game" does not include any wagering on any type of sports event including but not limited to football, basketball, baseball, hockey, boxing, tennis, wrestling, jai alai, or other sports contest or event. Provides "game" shall also include racehorse wagering.

<u>Proposed law</u> retains <u>present law</u> and adds that, for Riverboats to whom the board has issued a sports wagering certificate, "game" shall also include sports wagering as authorized in <u>proposed law</u>.

<u>Present law</u> defines "gaming device" or "gaming equipment" as any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or machine, including a slot machine, used directly or indirectly in connection with gaming or any game, which affects the result of a wager by determining wins or losses.

<u>Proposed law</u> retains <u>present law</u> and adds that, for Riverboats to whom the board has issued a sports wagering certificate, "gaming device" or "gaming equipment" shall also include any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or machine used directly or indirectly in connection with sports wagering.

<u>Present law</u> defines "gaming position" as a gaming device seat or a space at a table game. Each gaming device seat shall be counted as one position and each space at a table game shall be counted as one position, subject to the rules and regulations of the board. The board shall specifically provide by rule for the counting of gaming positions for devices and games where seats and spaces are not readily countable.

Proposed law retains present law and adds that, for Riverboats to whom the board has issued

a sports wagering certificate, "gaming position" shall also include a self-service wagering machine or self-service kiosk or wagering window space where a sports wager is accepted and each space, machine, or kiosk where a sports wager is accepted shall be counted as one position, subject to rules and regulations of the board.

<u>Present law</u> requires Riverboats to utilize a cashless wagering system except for racehorse wagering and the play of slot machines.

Proposed law retains present law and adds sports wagering to the exception.

#### LAND-BASED CASINO

<u>Present law</u> defines "game". Provides, among other exclusions, that "game" does not include wagering on any type of sports event, inclusive but not limited to football, basketball, baseball, hockey, boxing, tennis, wrestling, jai alai, or other sports contest or event.

<u>Proposed law</u> retains <u>present law</u> and adds that, if the Land-Based Casino has been issued a sports wagering certificate by the board, "game" shall also include sports wagering as authorized in proposed law.

<u>Present law</u> defines "gaming device" as any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or machine used directly or indirectly in connection with gaming or any game, which affects the result of a wager by determining wins or losses.

<u>Proposed law</u> retains <u>present law</u> and adds that if the Land-Based Casino has been issued a sports wagering certificate, "gaming device" shall also include any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or machine used directly or indirectly in connection with sports wagering.

<u>Present law</u> requires wagering at the official gaming establishment to be made with tokens, chips, vouchers, coupons, or electronic cards issued by the Land-Based Casino.

<u>Proposed law</u> retains <u>present law</u> and adds that if the Land-Based Casino is issued a sports wagering certificate, sports wagers at the official gaming establishment shall be made in cash or through a patron's verified wagering account.

#### **TRACKS**

<u>Present law</u> defines "designated slot machine gaming area" as the contiguous area of an eligible live racing facility at which slot machine gaming may be conducted in accordance with <u>present law</u>. Provides that it is determined by measuring the area, in square feet, inside the interior walls of the licensed eligible facility, excluding any space therein in which gaming activities may not be conducted, such as bathrooms, stairwells, cage and beverage areas, and emergency evacuation routes of any width that meet or exceed the minimum size required by law.

<u>Proposed law</u> changes "designated slot machine gaming area" to "designated gaming area" and defines it as the contiguous area of a eligible live racing facility at which gaming may be conducted in accordance with law, excluding any space therein in which gaming activities may not be conducted.

<u>Present law</u> provides that wagering at the Track may be made with tokens, chips, vouchers, coupons, or electronic cards issued by the Track. Excludes the use of debit cards which automatically withdraw funds from a credit, savings, or checking account.

<u>Proposed law</u> retains <u>present law</u> and adds that sports wagers at an eligible facility may be made in cash or through a patron's verified wagering account.

<u>Present law</u> prohibits the operation or play of any type of game at the Tracks the play of which requires the participation of any employee of the licensee.

<u>Proposed law</u> makes an exception to <u>present law</u> for Tracks with a sports wagering certificate.

<u>Present law</u> provides that no gaming devices other than slot machines and authorized parimutuel wagering devices and equipment shall be in the designated slot machine gaming area.

<u>Proposed law</u> makes an exception to <u>present law</u> for a Track that has been issued a sports wagering certificate to have authorized self-service sports wagering machines or self-service kiosks or window spaces where sports wagers are accepted and any equipment associated therewith to be in the designated gaming area.

Present law provides that a "gaming position" means a slot machine seat.

<u>Proposed law</u> provides that for a Track that has been issued a sports wagering certificate, "gaming position" shall also include a self-service sports wagering machine or self-service kiosk or a wagering window space where sports wagers are accepted. Provides that each machine or kiosk or space shall be counted as one position, subject to the rules and regulations of the board. Provides an exception for a wagering window or kiosk that was lawfully accepting wagers prior to the effective date of the chapter of law authorizing sports wagering which shall not be counted as a "gaming position" if the wagering window space or kiosk is remodeled, re-purposed, relocated, or replaced for the purpose of conducting sports wagering.

#### SPORTS WAGERING

<u>Proposed law</u> provides for the Louisiana Sports Wagering Control Act and provides for definitions. Authorizes sports wagering gaming activities to be conducted within approved gaming areas provided all of the following requirements are met:

- (1) A majority of the qualified electors voting at a proposition election called for that purpose in a parish where the sports wagering is taking place voted in favor of permitting sports wagering.
- (2) The Riverboat, Track, or Land-Based Casino has been awarded a sports wagering certificate by the board to conduct sports wagering.
- (3) The sports wagering is taking place within the designated gaming area of the Riverboat or Track or the official gaming establishment of the Land-Based Casino.
- (4) The gaming activities relative to sports wagering are being conducted in accordance with proposed law and all rules, regulations, and requirements of the board.

<u>Proposed law</u> provides that a sports wagering certificate holder or a sports wagering service provider permittee may accept wagers on an approved sports event at a wagering window or through self-service wagering machines or self-service kiosks. Provides that, except for certain wagering windows and kiosks at Tracks, each machine, kiosk, or window shall be counted as a single gaming position.

<u>Proposed law</u> provides a procedure for applying for a sports wagering certificate and requires an eligible Riverboat, Track, or Land-Based Casino to be awarded a certificate before conducting, operating, or performing any activity regulated pursuant to proposed law.

<u>Proposed law</u> provides that beginning January 1, 2020, in parishes in which sports wagering has been approved by the voters, a Riverboat, Track, or Land-Based Casino may apply to the board for a certificate on a form and in a manner prescribed by the board. Provides that

no certificate to conduct sports wagering shall be issued unless the board finds:

- (1) That the applicant is capable of conducting sports wagering.
- (2) That the applicant's submission of a detailed plan of design of the areas of its Riverboat, Track, or official gaming establishment to be used for sports wagering are acceptable.

<u>Proposed law</u> provides that only after the application is approved by the board and the board has received payment of applicable fees and issued the sports wagering certificate to the licensee or operator may the licensee or casino gaming operator conduct sports wagering at its facility.

<u>Proposed law provides</u> that a sports wagering certificate shall not be transferrable; however, the holder may contract with a permitted sports wagering service provider to manage, administer, or control sports wagers.

<u>Proposed law</u> requires the board to adopt all rules necessary to implement, administer, and regulate sports wagering as authorized by <u>proposed law</u>. Provides that at a minimum, the rules shall include the following:

- (1) Standards and procedures to govern the conduct of sports wagering including but not limited to standards and procedures for the approval of a sports event for wagering, and the system of wagering.
- (2) The method for calculating gross sports wagering revenue and standards for the daily counting and recording of cash and cash equivalents received in the conduct of sports wagering, including ensuring that internal controls are followed, financial books and records are maintained, and audits are conducted.
- (3) The amount of cash reserves to be maintained to cover winnings by the sports wagering certificate holder or sports wagering services provider permittee.
- (4) Notice requirements pertaining to minimum and maximum wagers.
- (5) Compulsive and problem gambling standards pertaining to sports wagering consistent with <u>present law</u> and <u>proposed law</u>.
- (6) Standards prohibiting persons under 21 years of age from participating in sports wagering.
- (7) Requirements that each sports wagering certificate holder and each sports wagering service provider permittee shall:
  - (a) Provide written information to sports wagering patrons about sports wagering rules, payouts or winning wagers, and other information as the board may require.
  - (b) Provide specifications approved by the board to integrate and update the casino's or eligible facility's surveillance system to cover all areas where sports wagering is conducted.
  - (c) Designate one or more locations within the designated gaming area or official gaming establishment to conduct sports wagering.
  - (d) Ensure that visibility of each sports wagering area in the casino or eligible facility is not obstructed in any way that could interfere with the ability of the sports wagering certificate holder and the board and other persons authorized

- under <u>present law</u> or by the board to oversee the surveillance of the conduct of sports wagering.
- (e) Integrate the casino's or eligible facility's count room to ensure maximum security of the counting and storage of cash and cash equivalents.
- (f) Equip each area of a Riverboat, Track, or Land-Based Casino in which sports wagering is conducted with all required notices.
- (g) Ensure that no person under 21 years of age participates in sports wagering.

<u>Proposed law</u> provides that if the board has initiated regular rulemaking, the board may adopt initial emergency administrative rules without a finding that imminent peril to the public health, safety, or welfare exists.

## <u>Proposed law</u> prohibits:

- (1) A person under the age of 21 from placing a sports wager and a sports wagering certificate holder or sports wagering service provider permittee from knowingly accepting a wager from a person under 21 years of age.
- (2) A person from placing a wager and a sports wagering certificate holder or sports wagering service provider permittee from knowingly accepting a wager from any person who may control the outcome of the sports event on which the wager is attempting to be placed.

<u>Proposed law</u> authorizes electronic or mobile sports wagering provided:

- (1) Prior to the acceptance of any electronic wager, a patron shall have established a wagering account through the sports wagering certificate holder or sports wagering service provider permittee and an initial verification of the account is completed by the holder or permittee.
- (2) Electronic sports wagers are placed in the gaming area of the Riverboat, Track, or Land-Based Casino, as that area is determined by the board, or any other areas of the Riverboat, Track or Land-Based Casino, as the board may approve, provided those areas are restricted to persons at least 21 years of age or older.
- (3) The sports wagering certificate holder or sports wagering service provider permittee maintains geo-fencing or geo-location services and bears all costs and responsibilities associated therewith as required by the board.
- (4) The system of electronic sports wagering through a mobile or other digital platform shall count as one gaming position, subject to the rules and regulations of the board.

<u>Proposed law</u> provides for the gaming division of state police to collect all state fees, fines, and taxes imposed or assessed under <u>proposed law</u> and under the rules, regulations, and decisions of the board. Provides for the funds to be deposited upon receipt with the state treasurer and credited against the Bond Security Redemption Fund. Provides that each fiscal year the state treasurer shall credit one percent of the net sports wagering proceeds, or \$500,000, whichever is greater, to the Compulsive and Problem Gaming Fund. After crediting the proceeds to the Compulsive and Problem Gaming Fund, the remainder of the avails of all taxes collected pursuant to <u>proposed law</u> are to be credited to the Louisiana Early Childhood Education Fund.

## **ELECTION**

Proposed law provides for a statewide election on October 12, 2019, on a proposition to

determine whether sports wagering may be permitted in the parish. Provides that if the majority of the qualified electors voting disapprove the proposition, sports wagering shall not be allowed in that parish. Provides that if the majority of qualified electors voting approve the proposition, sports wagering may be conducted in the parish in accordance with proposed law.

Provides that <u>proposed law</u> shall not take effect and become operative until laws become operative and effective regarding permit and certificate fees for conducting sports wagering.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 13:4721, R.S. 14:90(C), 90.3(F), and 90.5(B) and (C), R.S. 27:3(24), 15(B)(1), 29(F), (H), and (I), 29.2(D), 29.3(D), 44(10), (12), and (14), 58(5), 65(B)(11), 205(12) and (13), 239.1, 353(2) and (4.1), 361(F), 364(A)(1)(c)(ii) and (A)(5), 371(C), 372(B) and (C), and 375(D); adds R.S. 18:1300.24, R.S. 27:3(25) and (26), 15(B)(8)(c), 29.2.1, and 601-608)

#### Summary of Amendments Adopted by Senate

# Committee Amendments Proposed by Senate Committee on Judiciary B to the original bill

- 1. Makes technical corrections.
- 2. Removes provisions regarding nongaming supplier permits and key and nonkey gaming employee permits.
- 3. Changes the name of the geographic area at the Tracks that is regulated by Gaming Control Board <u>from</u> "designated slot machine gaming area" <u>to</u> "designated gaming area."
- 4. Adds that the system of electronic sports wagering through a mobile or other digital platform shall count as one gaming position.
- 5. Deletes proposed law term of a sports wagering certificate.
- 6. Clarifies that Gaming Control Board determines gaming area and adds that it be restricted to areas for patrons age 21 or older.
- 7. Adds dedication of any fees, fines, taxes, or other monies collected by the state from sports wagering.

## Senate Floor Amendments to engrossed bill

- 1. Makes technical corrections.
- 2. Adds exception to the counting of a "gaming position" for certain wagering windows or kiosks at a Track.
- 3. Clarifies areas that the Gaming Control Board may approve for electronic sports wagering.