2019 Regular Session
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)

AN ACT
To amend and reenact R.S. 13:4721, R.S. 14:90(C), $90.3(\mathrm{~F})$, and $90.5(\mathrm{~B})$ 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), 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 Louisiana Revised Statutes of 1950, to be comprised of R.S. 27:601 through 608, relative to sports wagering; to require an election to authorize sports wagering; to provide for definitions; to provide regarding permits; to provide regarding sports wagering certificates; to provide regarding the duties and powers of the Gaming Control Board; to provide regarding rulemaking; to provide regarding prohibited wagers; to provide for an effective date; and to provide for related matters.

Notice of intention to introduce this Act has been published.
Be it enacted by the Legislature of Louisiana:
Section 1. 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) are hereby amended and
reenacted and R.S. 27:3(25) and (26), 15(B)(8)(c), and 29.2.1, and Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950, comprised of R.S. 27:601 through 608, are hereby enacted to read as follows:

## §3. Definitions

For the purposes of this Title, the following terms have the following meanings, unless the context clearly indicates otherwise:
(24) "Sports wagering service provider" means a person who has entered into a contract with the holder of a sports wagering certificate issued pursuant to the provisions of Chapter 10 of this Title to manage, administer, or control sports wagering for the certificate holder.
(25) "Sports wagering service provider permit" means the permit of a sports wagering service provider.
(26) "Suitable", "suitability", or "suitability requirements" means the criteria provided for in R.S. 27:28.
§15. Board's authority; responsibilities
B. The board shall:
(1) Have all regulatory authority, control, and jurisdiction, including investigation, licensing, and enforcement, and all power incidental or necessary to such regulatory authority, control, and jurisdiction over all aspects of gaming activities and operations as authorized pursuant to the provisions of the Louisiana Riverboat Economic Development and Gaming Control Act, the Louisiana Economic Development and Gaming Corporation Act, the Video Draw Poker Devices Control Law, the Sports Wagering Control Law, and the Louisiana Fantasy Sports Contests Act, except as otherwise specified in this Title. Further, the 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
of the 1990 Regular Session of the Legislature and Act No. 817 of the 1993 Regular Session of the Legislature.
(8)
(c) Adopt, pursuant to the Administrative Procedure Act and as specifically provided for in R.S. 27:605, all rules necessary to implement, administer, and regulate sports wagering as authorized by Chapter 10 of this Title.
§29. Permit required; terms; disposition of fees
F. The term of a permit issued pursuant to the provisions of R.S. 27:29.1, 29.2, 29.2.1, 29.3, and 86 shall be for five years.
H. The division shall collect all fees assessed pursuant to the provisions of R.S. 27:29.1, 29.2, 29.2.1, 29.3, and 29.4. The division shall deposit the fees in accordance with the provisions of R.S. 27:92.
I. The failure to remain current in the payment of any fee assessed pursuant
 suspension of the permit.
§29.2. Gaming supplier permits
D. A supplier shall furnish to the board a list of any gaming equipment and supplies offered by the supplier for sale or lease in connection with games authorized under this Title. A supplier shall keep books and records for the furnishing of gaming equipment and supplies to gaming operations separate and distinct from any other 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 $\underline{27: 44(15) \text { or 353(5), the casino gaming operator, or a sports }}$ 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 $\mathbf{2 7 : 4 4 ( 1 5 )}$ 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
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
electronic contrivance, component, or machine used directly or indirectly in
connection with sports wagering.
(14)(a) "Gaming position" means 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.
(b) For a licensee to whom the board has issued a sports wagering certificate as defined in R.S. 27:602, "gaming position" shall also include a selfservice wagering machine or self-service kiosk or a 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 the rules and regulations of the board.
§58. Division responsibilities
The division shall:
(5) Require all licensees to utilize a cashless wagering system, except for racehorse wagering, sports wagering, and the play of slot machines, whereby all players' money is converted to tokens, electronic cards, or chips used only for wagering in the gaming establishment.
§65. Licenses to conduct gaming activities upon riverboats; limitations
B. Gaming shall be conducted aboard riverboats, subject to the following requirements:
(11) Except for racehorse wagering, sports wagering, and the play of slot

Coding: Words which are struck through are deletions from existing law; words in boldface type and underscored are additions.
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:
(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
information which can alter the normal criteria of random selection, which affects the operation of any game, or which determines the outcome of a game. The term does not include a system or device which affects a game solely by stopping its operation so that the outcome remains undetermined.
(b) If the casino gaming operator has been issued a sports wagering certificate by the board to conduct sports wagering in accordance with Chapter 10 of this Title, "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.
§239.1. Wagering at the official gaming establishment
Wagering A. Except as provided in Subsection B of this Section, wagering 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 casino manager acting on behalf of the casino gaming operator. 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.
B. Notwithstanding any provision of Subsection $A$ of this Section to the 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 Title, sports wagers at the official gaming establishment shall be made in cash or through a patron's verified wagering account.
§353. Definitions
When used in this Chapter, the following terms shall have these meanings:
(2) "Designated stot machine gaming area" means the contiguous area of an eligible live racing facility at which stot machine gaming may be conducted in accordance with the provisions of this Chapter, determined by measuring the area, in square feet, inside the interior walls of the lieensedeligible faeility, excluding any space therein in which gaming activities may not be conducted,sueh as bathrooms, stairwells, eage and beverage areas, and emergeney evacuation routes of any width that meet or exceed the minimum size required by law.
(4.1) "Emergency evacuation route" means those areas within the designated slot machine gaming area of a licensed eligible facility which are clearly defined and identified by the licensee as necessary and approved by the state fire marshal or other federal or state regulatory agency for the evacuation of patrons and employees from the facility, and from which and in which no gaming activity may occur.
§361. Conduct of slot machine gaming; temporary conduct
F.(1) Wagering at an eligible live racing facility may be made with tokens, chips, vouchers, coupons, or electronic cards issued by the licensed eligible facility 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 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.
(2) Notwithstanding any provision of Subsection A of this Section to the contrary, if the holder of a license as defined in R.S. $27: 353(5)$ is issued a sports 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 cash or through a patron's verified wagering account.
§364. Gaming Control Board; powers and duties
A. The board shall:
(1)
(c) Such rules may include:
(ii) Requiring certain minimum physical security standards be observed in designated stot machine gaming areas.
(5) Approve the location, plans, and construction of the designated stot machine gaming area in an eligible facility.
§371. Prohibition on operation of video draw poker devices; prohibition on any other type of game
C. Nothing Except sports wagering conducted by the holder of a license defined in R.S. 27:353(5) that possesses a valid sports wagering certificate issued by the board, nothing in this Chapter shall be construed to permit the operation or play of any type of game the play of which requires the participation of an employee of the licensee.
§372. Stot machine gaming Gaming area limitations
B.(1) No gaming devices other than slot machines and authorized pari-mutuel wagering devices and equipment shall be in the designated stot machinte gaming area.
(2) Notwithstanding Paragraph (1) of this Subsection to the contrary, if the holder of a license as defined in R.S. 27:353(5) is issued a sports wagering certificate by the board to conduct sports wagering in accordance with Chapter


#### Abstract

10 of this Title, authorized self-service sports wagering machines or self-service kiosks or window spaces where sports wagers are accepted and any equipment associated therewith may also be in the gaming area.


C.(1) As used in this Section, "gaming position" means a slot machine seat. Each slot machine seat 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.


#### Abstract

(2) Notwithstanding Paragraph (1) of this Subsection to the contrary, if the holder of a license as defined in R.S. 27:353(5) is issued a sports wagering certificate by the board to conduct sports wagering in accordance with Chapter 10 of this Title, "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. Each machine or kiosk or space shall be counted as one position, subject to the rules and regulations of the board.


(3) Notwithstanding Paragraphs (1) and (2) of this Subsection, a wagering window space or kiosk at which wagers were lawfully accepted prior to the effective date of Chapter 10 of Title 27 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.
§375. Crimes and penalties; false statements; unauthorized slot machines; skimming of slot machine proceeds; payroll check cashing; gambling devices
D. Any owner of an eligible facility who has been granted a license to operate slot machine gaming who cashes or accepts for cashing or permits any employee or other person to cash or accept for cashing an identifiable employee payroll check in the designated stot machine gaming area shall, upon conviction, be imprisoned for
not more than six months or fined not more than five thousand dollars, or both.

## CHAPTER 10. SPORTS WAGERING CONTROL ACT

§601. Title
This Chapter shall be cited and referred to as "The Louisiana Sports Wagering Control Act". §602. Definitions

Unless the context clearly indicates otherwise, when used in this Chapter, the following terms shall mean:
(1) "Applicant" means a person who has submitted an application to the board seeking a certificate or permit, or the renewal thereof.
(2) "Application" means the forms and schedules prescribed by the board upon which an applicant seeks a certificate or permit or the renewal thereof. Application also includes information, disclosure statements, and financial statements submitted by an applicant as part of an application.
(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.
(5) "Game" means a wager on a sports event or sporting event approved by the board.
(6) "Gaming activities" or "gaming operations" means the use, operation, or conducting of any sports wagering at a riverboat, eligible facility, or official gaming establishment including all activities related to and integral to the operation and profitability of the licensee or casino gaming operator, including accounting procedures and internal controls.
(7) "Gaming device" or "gaming equipment" means any equipment or mechanical, electro-mechanical, or electronic contrivance, component, or $\underline{\text { machine, used directly or indirectly in connection with a sports wagering }}$ system.
(8) "Gaming position" means a sports wagering self-service machine or
self-service kiosk or a wagering window space where a sports wager is accepted. Except as provided in R.S. 27:372, each self-service machine or self-service kiosk shall be counted as one position and each wagering window space where a sports wager is accepted shall be counted as one position, subject to the rules and regulations of the board. The system of electronic sports wagering through a mobile or other digital platform shall count as one position, subject to the rules and regulations of the board.
(9) "Net sports wagering proceeds" means the total of all cash and property, including checks whether collected or not, received by the sports wagering certificate holder from sports wagering operations, less the total of all cash paid out as winnings to patrons.
(10) "Permit" has the same meaning as that term has in R.S. 27:3.
(11) "Permittee" has the same meaning as that term has in R.S. 27:3.
(12) "Person" has the same meaning as that term has in R.S. 27:3.
(13)(a) "Sports event" or "sporting event" means any professional sport or athletic event, any Olympic or international sports competition event, any collegiate sport or athletic event, or any portions thereof, including but not limited to the individual performance statistics of athletes in a sports event or combination of sports events. "Sports event" or "sporting event" shall not include a prohibited event or fantasy sports activity. A prohibited event shall include any high school sports event.
(b) "Professional sport or athletic event" as used in Subparagraph (a) of this Paragraph means an event at which two or more persons participate in a sport or athletic event and receive compensation in excess of actual expenses for their participation in such event.
(14)(a) "Sports wagering" means the business of accepting wagers on a sports event approved by the board, provided all of the following conditions are met:
(i) The outcome of the sports event can be verified.
(ii) The outcome of the sports event can be generated by a reliable and independent process.
(iii) The outcome of the sports event is not affected by any wager placed.
(iv) The sports event is conducted in conformity with applicable laws, rules, and regulations, including the rules governing the sports event.
(b) The term "sports wagering" may also include proposition wagers on novelty occurrences or nonoccurrences, or individual players over a broad spectrum of possibilities within a sports event that are not dependent on the final outcome of the sports event as approved by the board.
(15) "Sports wagering certificate" means a certificate issued by the board to the holder of a license as defined in R.S. 27:44 or $\mathbf{3 5 3}$ or the casino gaming operator that authorizes the conducting of sports wagering by the licensee or operator located in a parish that approved sports wagering at an election called for that purpose.
(16) "Sports wagering service provider" has the same meaning as that term has in R.S. 27:3.
(17) "Sports wagering system" means the methodology and equipment approved by the board for accepting and recording sports wagers.
(18) "Suitable", "suitability", or "suitability requirements" have the same meaning as those terms have in R.S. 27:3.
§603. Sports wagering gaming activities
A. Gaming activities relative to sports wagering may be conducted within the approved gaming area provided all of the following requirements are met:
(1) A majority of the qualified electors in the parish voting at a proposition election called for that purpose in accordance with R.S. 18:1300.24 where the sports wagering is taking place voted in favor of permitting sports wagering.
(2) The holder of a license defined in R.S. 27:44 or $\mathbf{3 5 3}$ or the casino gaming operator has been awarded a sports wagering certificate by the board
to conduct sports wagering at its riverboat, eligibility facility, or the official gaming establishment.
(3) The sports wagering is taking place within the designated gaming area or the official gaming establishment of the holder of a license as defined in R.S. 27:44 or 353 or the casino gaming operator, as appropriate.
(4) The gaming activities relative to sports wagering are being conducted in accordance with this Chapter and all rules, regulations, and requirements of the board.
B.(1) A sports wagering certificate holder or 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.
(2) Except as provided in R.S. 27:372, each machine, kiosk, or window shall be counted as a single gaming position. §604. Sports wagering certificate; requirements
A. The securing of a sports wagering certificate required under the provisions of this Chapter shall be a prerequisite for conducting, operating, or performing any activity regulated pursuant to this Chapter.
B. Beginning January 1, 2020, in any parish in which sports wagering has been approved by the voters, a holder of a license as defined in R.S. 27:44 or 353 or the casino gaming operator desiring to obtain a sports wagering certificate for its riverboat, eligible facility, or official gaming establishment located in the parish shall make application to the board on a form and in a manner prescribed by the board. The application forms shall be provided by the board and shall contain such information as required by this Chapter and by rules and regulations promulgated by the board. No application shall be accepted unless the board determines that all relevant requirements of this Chapter have been met.
C. No certificate to conduct sports wagering shall be issued unless the
board finds:
(1) That the applicant is capable of conducting sports wagering, which means that the applicant can demonstrate the capability through training, education, business experience, or a combination thereof, to operate sports wagering.
(2) That the applicant's submission of a detailed plan of design of the areas of its riverboat, eligible facility, or official gaming establishment to be used for sports wagering are acceptable.
D. 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.
E. A sports wagering certificate shall not be transferrable; however, the holder may contract with a sports wagering service provider to manage, administer, or control sports wagers provided the sports wagering service provider has been issued a permit as provided in R.S. 27:29.2.1. §605. Gaming Control Board; duties and powers
A. The board shall adopt, pursuant to the Administrative Procedure Act, all rules necessary to implement, administer, and regulate sports wagering as authorized by this Chapter. 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 under the provisions of this Chapter and the approval 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
are conducted.
(3) The amount of cash reserves to be maintained to cover winnings by the sports wagering certificate holder and sports wagering service provider permittee.
(4) Notice requirements pertaining to minimum and maximum wagers on sports wagering.
(5) Compulsive and problem gambling standards pertaining to sports wagering consistent with this Title.
(6) Standards prohibiting persons under twenty-one years of age from participating in sports wagering.
(7) Requirements that each sports wagering certificate holder and 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. The specifications shall include provisions providing the board and other persons authorized by the board with onsite access to the surveillance system or its signal.
(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, the board, and other persons authorized under this Title 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, eligible facility, or the official gaming establishment in which sports wagering is conducted with all required notices.
(g) Ensure that no person under twenty-one years of age participates in sports wagering.
B. Provided the board has initiated rulemaking pursuant to the provisions of R.S. 49:953(A), the board may adopt initial administrative rules as required by this Section pursuant to the provisions of R.S. 49:953(B) without a finding that an imminent peril to the public health, safety, or welfare exists. §606. Limitations
A. No persons under the age of twenty-one years shall be allowed to place a sports wager, nor shall a sports wagering certificate holder or sports wagering service provider permittee knowingly accept a wager from a person under twenty-one years of age.
B. No person shall place a wager nor shall a sports wagering certificate holder or sports wagering service provider permittee knowingly accept a wager from any person who may control the outcome of the sports event on which the wager is attempting to be placed. §607. Electronic sports wagering

A sports wagering certificate holder or sports wagering service provider permittee may accept wagers made electronically using a mobile or other digital platform. Electronic wagering shall be subject to the following requirements:
(1) Prior to the acceptance of any electronic wager, a patron shall have established a wagering account through the holder or permittee and an initial verification of the account shall be completed by the holder or permittee.
(2) Electronic sports wagers shall be placed in the gaming area of the riverboat, eligible facility, or official gaming establishment, as that area is determined by the board, or in other areas of the riverboat, eligible facility, or the official gaming establishment, as the board may approve, provided those areas are restricted to persons at least twenty-one years of age or older.
(3) The holder or 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.
§608. Dedication of revenue
A. The division shall collect all state fees, fines, and taxes imposed or assessed under the provisions of this Chapter and under the rules, regulations, and decisions of the board.
B. All fees, fines, revenue, taxes, and other monies collected by the division shall be forwarded upon receipt to the state treasurer for immediate deposit into the state treasury. Funds deposited into the treasury shall first be credited to the Bond Security Redemption Fund in accordance with Article VII, Section 9(B) of the Constitution of Louisiana.
C. After complying with the provisions of Subsection B of this Section, each fiscal year the state treasurer shall credit one percent of the net sports wagering proceeds, or five hundred thousand dollars, whichever is greater, collected from the sports wagering service provider or sports wagering certificate holder to the Compulsive and Problem Gaming Fund established by R.S. 28:842. The division shall transfer monthly to the state treasury for deposit into the Compulsive and Problem Gaming Fund the amount of revenues the provider or certificate holder withheld and remitted in accordance with this Subsection. After crediting the proceeds to the Compulsive and Problem Gaming Fund, the state treasurer shall each month credit the remainder of the avails of all taxes collected pursuant to this Section to the Louisiana Early Childhood Education Fund as established in R.S. 17:407.30. Section 2. R.S. 13:4721 is hereby amended and reenacted to read as follows: §4721. Gambling houses; definition; declared public nuisances
A. For the purposes of this Sub-part, Subpart, or for the purposes of any action or prosecution hereunder in this Section, a gambling house is either:
(1) Any place whatsoever where any game of chance of any kind or character is played for money, for wagers, or for tokens, and where the conduct of such place operates, directly or indirectly, to the profit of one or more individuals and not exclusively to the direct profit of the actual participants in such game; and.
(2) any Any place whatsoever where races, athletic contests, and sports, and games are not actually held and where opportunity is afforded for wagering upon races, athletic contests, sports, and games of chance.
B. All gambling houses as herein defined defined in this Section are declared to be public nuisances, and the owner owners thereof, and the agent agents for such owner, owners, or the tessee, sublessee lessees, sublessees, or other occupants thereof are declared to be guilty of maintaining a public nuisance.
C. The provisions of this Subpart shall not apply to any place where sports wagering activities are being conducted by a sports wagering certificate 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:

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§90. Gambling
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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 gaming at an eligible horse racing facility, or the operation of a state lottery which is licensed for operation and regulated under the provisions of Chapters 4 and 11 of Title 4, Chapters 4, 5, 7, and 8, and 10 of Title 27, or Subtitle XI of Title 47 of the Louisiana Revised Statutes of 1950, is not gambling for the purposes of this Section, so long as the wagering is conducted on the premises of the licensed establishment.
§90.3. Gambling by computer
F. 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 gaming at an eligible horse racing facility, or the operation of a state lottery which is licensed for operation and regulated under the provisions of Chapters 4 and 11 of Title 4, Chapters 4, 5, 6, and 7, and 10 of Title 27, or Subtitle XI of Title 47 of the Louisiana Revised Statutes of 1950, shall not be considered gambling by computer for the purposes of this Section, so long as the wagering is done on the premises of the licensed establishment.
§90.5. Unlawful playing of gaming devices by persons under the age of twenty-one; underage persons, penalty
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 gaming area of a riverboat, the designated gaming area of the official gaming establishment, or the designated slot machine gaming area of a pari-mutuel wagering facility which offers live horse racing licensed for operation and regulated under the applicable provisions of Chapters 4, 5, and 7, and 10 of Title 27 of the Louisiana Revised Statutes of 1950.
C. For purposes of this Section, "casino games, gaming devices, or slot machines" means a game or device, as defined in R.S. 27:44(10) or (12), 205(12) or (13), or $353(14)$, or $\mathbf{6 0 2 ( 5 )}$ or (7) operated on a riverboat, at the official gaming establishment, or at a pari-mutuel wagering facility which offers live horse racing
which is licensed for operation and regulated under the provisions of Chapters 4, 5, and 7, and 10 of Title 27 of the Louisiana Revised Statutes of 1950.

Section 4. R.S. 18:1300.24 is hereby enacted to read as follows:
§1300.24. Sports wagering gaming election; procedure
A. At the statewide election occurring on October 12,2019, a proposition shall appear on the ballot in every parish to determine whether sports wagering shall be permitted in the parish in accordance with the provisions of Title 27 of the Louisiana Revised Statutes of 1950.
B. The ballot for the election shall state as follows:
"PROPOSITION TO AUTHORIZE SPORTS WAGERING.
Shall sports wagering be permitted in the parish of $?$

YES () NO ()"
C.(1) If a majority of the qualified electors in the parish voting on the proposition vote in favor of permitting sports wagering in the parish, then such wagering, in accordance with the provisions of Title 27 of the Louisiana Revised Statutes of 1950, shall be permitted.
(2) If a majority of the qualified electors in the parish voting on the proposition vote against permitting sports wagering in the parish, then such wagering shall not be permitted.
D. Except as otherwise provided in this Section, the election shall be conducted as provided in Chapter 6-B of this Title including but not limited to the provisions providing for notice to the public as provided by law.

Section 5. Sections 1, 2, and 3 of this Act shall take effect and become operative if and when laws become operative and effective regarding permit and certificate fees for the conducting of sports wagering.

Section 6. Sections 4 and 5 of this Act and this Section shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section

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

SB 153 Reengrossed
2019 Regular Session
Martiny
Proposed law 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 (LandBased 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.

Present law 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.

Proposed law adds sports wagering service provider to the list of present law 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

Present law 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.

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

Present law 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.

Proposed law retains present law 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.

Present law 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
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Coding: Words which are struck through are deletions from existing law; words in boldface type and underscored are additions.
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.

Present law 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

Present law 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.

Proposed law retains present law 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.

Present law 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.

Proposed law retains present law 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.

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

Proposed law retains present law 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

Present law 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 present law. 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.

Proposed law 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.

Present law 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.

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

Present law 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.

Proposed law makes an exception to present law for Tracks with a sports wagering certificate.

Present law 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.

Proposed law makes an exception to present law 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.
Proposed law 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

Proposed law 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.

Proposed law 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.

Proposed law 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.

Proposed law 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.

Proposed law 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.

Proposed law provides 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.

Proposed law requires the board to adopt all rules necessary to implement, administer, and regulate sports wagering as authorized by proposed law. 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 present law and proposed law.
(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 present law 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.

Proposed law 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.

Proposed law 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.

Proposed law 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.

Proposed law provides for the gaming division of state police to collect all state fees, fines, and taxes imposed or assessed under proposed law 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 proposed law 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 proposed law 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), $15(\mathrm{~B})(1), 29(\mathrm{~F}),(\mathrm{H})$, 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 from "designated slot machine gaming area" to "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.

## $\underline{\text { Senate Floor Amendments to engrossed bill }}$

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.
