

SENATE BILL NO. 209

BY SENATOR SMITH

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

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AN ACT

To amend and reenact R.S. 4:143(7), 148, 149, 166.7, 213, and 214(A)(4) and to enact R.S. 4:143(17) through (19), 211(8), 214(K) and (L), 216(E), 217(E) and 228, relative to horse racing; to provide relative to pari-mutuel wagering; to provide for definitions; to provide for rules, regulations, and conditions; to provide for exotic wagering; to provide for allocation of proceeds during and for a race meeting; to provide for terms and conditions; to provide for offtrack wagering facilities; to provide for historical horse racing; to provide for commissions on wagers; to provide for purse supplements; to provide for limitations of offtrack wagering facility locations; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 4:143(7), 148, 149, 166.7, 213 and 214(A)(4) are hereby amended and reenacted and R.S. 4:143(17) through (19), 211(8), 214(K) and (L), 216(E), 217(E) and 228 are hereby enacted to read as follows:

§143. Definitions

Unless the context indicates otherwise, the following terms shall have the meaning ascribed to them below:

* * *

(7) "Meeting or race meeting" means the whole consecutive period (Sundays excluded) for which a license to ~~race~~ **conduct live races** has been granted to any one association by the commission.

* * *

(17) "Historical horse racing" means a form of horse racing that creates pari-mutuel pools from wagers placed on horse races previously run at a pari-mutuel facility licensed in the United States; concluded with official results; and concluded without scratches, disqualifications, or dead-heat finishes through machines permitted and authorized by the commission.

(18) "Pari-mutuel wagering", "pari-mutuel system of wagering", or "mutuel wagering" means any method of wagering previously or hereafter approved by the commission in which one or more patrons wager on a horse race or races, whether live, simulcast, or previously run. Wagers shall be placed in one or more wagering pools, and wagers on different races or sets of races may be pooled together. Patrons may establish odds or payouts, and winning patrons share in amounts wagered including any carryover amounts, plus any amounts provided by an association less any deductions required, as approved by the commission and permitted by law. Pools may be paid out incrementally over time as approved by the commission.

(19) "Races" or "racing" means live racing conducted by a licensee in this state, unless otherwise specifically described.

* * *

§148. Rules, regulations and conditions

The commission shall make rules, regulations and conditions for the holding, conducting and operating of all race tracks, race meets and races held in this state, **historical horse racing**, and for the conduct of the racing industry of this state under this Part. Special rules, regulations and conditions may be promulgated separately for thoroughbred racing and for quarter horse racing. The rules, regulations and conditions shall be consistent with this Part and provide for and deal with all matters

1 necessary to the holding of such race meetings **and pari-mutuel wagering.**

2 * * *

3 §149. Wagering; rules and regulations

4 The commission may prescribe rules and regulations under which shall be
 5 conducted all horse races upon the results of which there is wagering. The
 6 commission shall, as may be necessary, prescribe additional special rules and
 7 regulations applicable separately to thoroughbreds and quarter horses. The
 8 commission shall make rules governing, permitting, and regulating the wagering on
 9 horse races under the form of mutuel wagering by patrons, known as pari-mutuel
 10 wagering, **whether on live or historical horse races.** Only those persons receiving
 11 a license from the commission may conduct this type of wagering, and shall restrict
 12 this form of wagering to a space within the race meeting grounds **or an offtrack**
 13 **wagering facility.** All other forms of wagering on the result of horse races are
 14 ~~illegal, and all wagering on horse races outside the enclosure where horse races have~~
 15 ~~been licensed by the commission is illegal.~~

16 * * *

17 §166.7. Exotic wagering, allocation of proceeds during and for a race meeting;
 18 concurrence required

19 A. Notwithstanding any provision of this Chapter to the contrary, during and
 20 for any race meeting, the commission, with the concurrence of the association
 21 conducting the race meeting and the Horsemen's Benevolent and Protective
 22 Association, may provide that the takeout deducted from pick-three, pick-four, **pick-**
 23 **five, and pick-six, and pick (n)** wagers is an amount of not less than twelve percent
 24 and not more than twenty-five percent. Absent such an agreement, the takeout shall
 25 remain at twenty-five percent.

26 **B. For the purposes of this Part, "pick (n)" means a form of pari-mutuel**
 27 **wagering where "(n)" is a varying number of races exceeding three races.**
 28 **Bettors select the first horse in each of (n) consecutive races designated as the**
 29 **pick (n) by the permit holder. The sale of pick (n) tickets other than from**
 30 **pari-mutuel machines shall be deemed illegal and is prohibited.**

1 * * *

2 §211. Definitions

3 Unless the context indicates otherwise, the following terms shall have the
4 meaning ascribed to them below:

5 * * *

6 **(8) "Net Commission" means the commission retained by a licensee on**
7 **pari-mutuel wagers on historical horse races, less breakage, settlements, and**
8 **taxes applicable to such wagers.**

9 * * *

10 §213. Offtrack wagering facilities; establishment

11 In addition to the rights granted in R.S. 4:149.2, any association licensed by
12 the commission may ~~accept and transmit wagers as provided in this Chapter~~ **conduct**
13 **pari-mutuel wagering** and engage in all necessary activities to establish appropriate
14 offtrack wagering facilities to accomplish this purpose. Such activities shall include,
15 but not be limited to:

16 (1) Live simulcast of races from the host track.

17 (2) **Historical horse racing on the premises of offtrack wagering facilities**
18 **via dedicated machines or personal mobile devices.**

19 (3) Construction or leasing of offtrack wagering facilities.

20 ~~(3)~~(4) Sale of goods and beverages.

21 ~~(4)~~(5) Advertising and promotion.

22 ~~(5)~~(6) All other related activities.

23 §214. Offtrack wagering facilities; licensing; criteria; management; appeal of license
24 suspension or revocation; **limitation on facilities with historical**
25 **horse racing**

26 A. License approval shall be subject to the criteria established by R.S. 4:159.
27 Licensure shall be subject to the following conditions:

28 * * *

29 (4) Not more than two offtrack wagering facilities may be licensed in any
30 parish, except for Orleans and Jefferson. **For the purposes of this Paragraph, a**

1 pari-mutuel facility as that term is defined in R.S. 4:211 shall not be included
2 in the count of licensed offtrack wagering facilities for the parish in which it is
3 located.

4 * * *

5 K.(1) No primary licensee may operate more than five offtrack wagering
6 facilities in which historical horse racing is permitted.

7 (2) Notwithstanding Paragraph (1) of this Subsection, any primary
8 licensee that operates more than five offtrack wagering facilities as of July 1,
9 2021, may conduct historical horse racing at all of its licensed facilities.
10 However, historical horse racing shall not be authorized at any future offtrack
11 wagering facility for that primary licensee if the primary licensee is operating
12 more than five offtrack wagering facilities. If any of the primary licensee's
13 existing licensed offtrack wagering facilities on July 1, 2021, cease to be a
14 licensed offtrack wagering facility for reasons other than force majeure, the
15 number of offtrack wagering facilities allowed to conduct historical horse racing
16 for that primary licensee shall be reduced by the number of its offtrack
17 wagering facilities that cease to be licensed until such time as the primary
18 licensee is reduced to no more than five licensed offtrack wagering facilities
19 allowed to conduct historical horse racing.

20 (3) Each primary licensee or licensed offtrack wagering facility shall not
21 place more than fifty historical horse racing machines into service at any given
22 time.

23 (4) In addition to the requirements of Paragraph (3) of this Subsection,
24 an application from an eligible facility to conduct historical horse racing in
25 Orleans Parish may be approved by the commission only after the Amended
26 and Renegotiated Casino Operating Contract entered into pursuant to R.S.
27 27:201 et seq., on October 30, 1998, as amended, is amended to provide that the
28 conducting of historical horse racing at the eligible facility in Orleans Parish
29 shall not constitute an exclusivity violation or prohibited land-based gaming as
30 defined in such contract and such amendment to the contract is approved by the

1 Joint Legislative Committee on the Budget as required by the provisions of
2 Section B of Act No. 1 of the 2001 First Extraordinary Session.

3 L. No historical horse racing may be conducted via a machine or website
4 or mobile application beyond the property of the pari-mutuel facility or offtrack
5 wagering facility. The commission shall promulgate rules relative to the
6 enforcement of this restriction.

7 * * *

8 §216. Commissions on wagers

9 * * *

10 E. Notwithstanding, and in lieu of, any other provisions of law, historical
11 horse races and wagers thereon shall be subject to the following provisions:

12 (1) Commissions on wagers on historical horse races made at offtrack
13 wagering facilities shall not exceed twelve percent of all wagers and shall be set
14 by the licensee and approved by the commission. The offtrack wagering facility
15 where the wager is made may either retain the breakage on such wagers or
16 include the breakage in the applicable historical horse racing pari-mutuel pool
17 or pools. Commissions shall be deducted and retained by the licensee of the
18 offtrack wagering facility where the wager is made.

19 (2) The licensee shall disburse twenty percent of the net commission to
20 supplement horsemen's purses in accordance with the provisions of R.S.
21 4:217(E).

22 (3) R.S. 4:149.3, 149.5, 161, 161.1, 161.2, 162, 163.1, 165, 166, 166.1
23 through 166.7, 167, 177, 183, 218, and 220 shall not apply to historical racing or
24 the licensee with respect to historical racing.

25 §217. Purse supplements; designation and distribution

26 * * *

27 E. Notwithstanding, and in lieu of, any other provision of law, the monies
28 designated for purses under the provisions of R.S. 4:216(E) from wagers placed
29 at offtrack wagering facilities on historical horse races shall be distributed in
30 the same manner as set forth in R.S. 27:438(B) as in effect at the time of any

1 such distribution, and if R.S. 27:438(B)(2)(a) becomes effective, any such
 2 quarter horse purse supplements shall be included in the calculation of the
 3 applicable maximum of one million dollars per state fiscal year and the
 4 settlement amount as set forth therein.

5 * * *

6 §228. Offtrack wagering facility locations; prohibited distances; prohibited
 7 structures

8 A. No license shall be granted to any offtrack wagering facility located,
 9 at the time application is made for a license to operate offtrack wagering
 10 facilities, within one mile from any property on the National Register of Historic
 11 Places, any public playground, any residential property, or a building used
 12 primarily as a church, synagogue, public library, or school. The measurement
 13 of the distance shall be a straight line from the nearest point of the proposed
 14 offtrack wagering facility to the nearest point of the property on the National
 15 Register of Historic Places, the public playground, residential property, or a
 16 building used primarily as a church, synagogue, public library, or school.

17 B. After an application is filed with the commission, the subsequent
 18 construction, erection, development, or movement of a property identified in
 19 Subsection A of this Section which causes the location of a offtrack wagering
 20 facility to be within the prohibited distance shall not be cause for denial of an
 21 initial or renewal application or revocation of a license.

22 C. The prohibition in Subsection A of this Section shall not apply to the
 23 location of an offtrack wagering facility which applied for a license or was
 24 issued a license on or before July 1, 2021, or which applied for or was issued a
 25 valid building permit on or before July 1, 2021, and subsequently issued a
 26 license. Such location shall be eligible for an offtrack wagering facility license
 27 without reference to the prohibition in Subsection A of this Section unless after
 28 having obtained a license, an offtrack wagering facility has not been licensed at
 29 that location for thirty-six consecutive months and application for licensing is
 30 not made within that thirty-six-month period.

1 D.(1) For locations on which an offtrack wagering facility has not been
2 completely constructed, if application for licensing was made on or before July
3 1, 2021, the prohibited distance shall be one mile from any property on the
4 National Register of Historic Places, any public playground, residential
5 property, or a building used primarily as a church, synagogue, public library,
6 or school.

7 (2) The measurement of the distances shall be a straight line from the
8 nearest point of the offtrack wagering facility to the nearest point of the
9 property on the National Register of Historic Places, the public playground,
10 residential property, or a building used primarily as a church, synagogue,
11 public library, or school.

12 E. If a parish or municipality does not have a zoning ordinance which
13 designates certain property within its jurisdiction as residential property, the
14 governing authority of the parish or municipality shall have the authority to
15 designate to certain areas of its jurisdiction as residential districts for the
16 purpose of this Section.

17 F. If application for licensing is made after July 1, 2021, the prohibition
18 in Subsection A of this Section shall apply.

19 G. "Residential property" shall mean any property which is wholly or
20 partly used for or intended to be used for living or sleeping by human occupants
21 and which includes one or more rooms, including a bathroom and complete
22 kitchen facilities. Residential property shall include a mobile home or
23 manufactured housing, if it has been in its present location for at least sixty
24 days. Residential property shall not include any hotel or motel.

25 Section 2. The Louisiana State Law Institute is hereby authorized and directed to
26 arrange in alphabetical order and renumber the definitions provided for in R.S. 4:143.

27 Section 3. This Act shall become effective upon signature by the governor or, if not
28 signed by the governor, upon expiration of the time for bills to become law without signature
29 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
30 vetoed by the governor and subsequently approved by the legislature, this Act shall become

1 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____