

ACT No. 525

2022 Regular Session

HOUSE BILL NO. 1055

BY REPRESENTATIVE HUGHES

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AN ACT

To amend and reenact R.S. 4:158.1 and 160(B) and to enact R.S. 4:147(7) and (8), 158.2, 160(C), and 164, and R.S. 27:393.1, relative to horse racing; to provide for specific duties of the Louisiana State Racing Commission; to provide for standards and employment; to provide for written reports; to provide for a fund; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 4:158.1 and 160(B) are hereby amended and reenacted and R.S. 4:147(7) and (8), 158.2, 160(C), and 164 are hereby enacted to read as follows:

§147. Specific duties of commission

The commission shall carry out the provisions of this Part, including the following specific duties:

* * *

(7) Make rules and regulations providing for minimum standards and infrastructure investments required for each association regarding facility maintenance and facility improvements including but not limited to track surface, barns, grandstands, and paddocks in order for the association or licensee to conduct race meets at a particular track.

(8) Make rules and regulations providing for minimum full-time and seasonal employment requirements including but not limited to food service, marketing, pari-mutuel windows, and kiosk repair staffing in order for the association or licensee to conduct race meets at a particular track.

* * *

1 §158.1. Written report

2 A. Beginning January 1, 2015, the commission ~~may~~ shall require a licensed
3 association to submit a written report that may include the following information:

4 (1) The plan of operation for each fiscal year. ~~The plan of operation may~~
5 which shall include but not be limited to customer service, marketing and promotions
6 relative to horse racing, capital improvement, ~~and~~ facility maintenance, and facility
7 improvements. "Facility maintenance" ~~may~~ and "facility improvements" shall
8 include but not be limited to track surface, barns, ~~grand stands~~ grandstands, and
9 paddocks.

10 (2) A summary of the implementation and status of the prior year's plan.

11 B. The commission ~~may~~ shall adopt rules in accordance with the
12 Administrative Procedure Act to implement the provisions of this Section, including,
13 as appropriate, standard forms to be used for the annual report and plan of operation.

14 §158.2. Quarterly reporting of professional services information

15 A. Each association or licensee as defined in R.S. 4:143 shall submit to the
16 commission, the Senate Committee on Judiciary B, and the House Committee on
17 Commerce all of the following:

18 (1) A report naming each individual, corporation, firm, partnership,
19 association, or other legal entity that furnishes professional services to the
20 association or the licensee. The report shall indicate the name and address of the
21 entity providing the professional services and if the entity providing a professional
22 service is a registered Louisiana business, a female-owned business, or a minority-
23 owned business.

24 (2) A report on the demographic information of the association's or licensee's
25 workforce, including but not limited to race, gender, and Louisiana residency.

26 B. As used in this Section, "professional services" means those services
27 rendered in this state and shall include but are not limited to:

28 (1) Legal services.

29 (2) Advertising or public relations services.

30 (3) Engineering services.

1 (4) Architectural, landscaping, or surveying services.

2 (5) Accounting, auditing, or actuarial services.

3 (6) Construction and skilled trade services.

4 C. The reports required by the provisions of this Section shall be submitted
5 on a quarterly basis. Each report shall be forwarded to the commission and the
6 legislative committees described in Subsection A of this Section by certified mail no
7 later than twenty days after the end of each calendar quarter.

8 D. A report required by the provisions of this Section shall be a public record
9 and governed by the provisions of R.S. 44:1 et seq.

10 E. A report required by the provisions of this Section shall not be required
11 to contain the amount of compensation paid by the association or licensee to each
12 individual, corporation, firm, partnership, association, or other legal entity in
13 exchange for providing the professional services nor shall it be required to contain
14 the amount of compensation paid to each of its employees.

15 F. The commission may suspend or withdraw licenses, permits, and
16 privileges granted by it or terminate racing privileges for failure to timely submit the
17 report required by the provisions of this Section.

18 G. The commission shall adopt rules to implement the provisions of this
19 Section. All rules shall be adopted pursuant to the provisions of the Administrative
20 Procedure Act.

21 H. The first reports required pursuant to this Section shall be submitted on
22 or before October 20, 2022.

23 * * *

24 §160. Grounds for fines, suspension, denial, or termination of racing privileges to
25 an association

26 * * *

27 B. The commission may suspend or withdraw licenses, permits, and
28 privileges granted by it or terminate racing privileges for just cause for failure to
29 spend necessary funds in order to maintain minimum facility maintenance and
30 facility improvement criteria established by the commission.

1 C. Notwithstanding any other provision of law to the contrary, the provisions
2 of this Section shall apply to any licensee or association, regardless of the date on
3 which the license was issued to the licensee or association.

4 * * *

5 §164. Facility maintenance and improvement fund

6 A. Each association shall establish and maintain a facility maintenance and
7 improvement fund for the sole purpose of complying with the commission's rules
8 regarding minimum standards and required infrastructure investments. This fund
9 shall be subject to audit by the commission and the legislative auditor.

10 B. For purposes of this Section, the following terms shall have the following
11 meanings:

12 (1) "Gross profits" means the amount of taxable net slot machine proceeds
13 less the amount of state taxes paid.

14 (2) "State tax" means the license tax on taxable net slot machine proceeds as
15 provided in R.S. 27:393.

16 (3) "Taxable net slot machine proceeds" shall have the same meaning as that
17 term is defined in R.S. 27:353.

18 C.(1) After July 1, 2022, fifty percent of gross profits, shall be deposited into
19 the fund until such time that all commission-required facility maintenance and
20 improvements have been completed as determined by the commission. Such deposits
21 shall be made at the same time the state tax is paid.

22 (2) Once the initial facility maintenance and improvements are completed to
23 the satisfaction of the commission, each association shall continue to maintain a
24 minimum fund balance of ten million dollars.

25 * * *

26 Section 2. R.S. 27:393.1 is hereby enacted to read as follows:

27 §393.1. Facility maintenance and improvement fund

28 A. Each licensed eligible facility or licensee shall establish and maintain a
29 facility maintenance and improvement fund as provided in R.S. 4:164 and shall make
30 deposits as required therein.

1 B. The establishment, required deposits, and maintenance of a facility
 2 maintenance and improvement fund as well as compliance with the minimum
 3 standards and required infrastructure investments as determined by the Louisiana
 4 State Racing Commission shall be a condition of licensing and shall be required by
 5 the owner of the licensed eligible facility or the licensee to maintain continued
 6 authority to conduct slot machines gaming at the licensed eligible facility. The
 7 provisions of this Subsection shall be applicable to any new license or the renewal
 8 of any existing license that is issued by the board on and after July 1, 2022.

9 Section 3. This Act shall become effective upon signature by the governor or, if not
 10 signed by the governor, upon expiration of the time for bills to become law without signature
 11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 12 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 13 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____