

**ACT No. 171**

2019 Regular Session

HOUSE BILL NO. 544

BY REPRESENTATIVES BARRAS, ADAMS, BAGNERIS, BILLIOT, BOUIE, COX, DUPLESSIS, GAINES, JIMMY HARRIS, JEFFERSON, JENKINS, TERRY LANDRY, LARVADAIN, LEGER, LYONS, MARCELLE, MOSS, NORTON, PIERRE, SMITH, STAGNI, AND STOKES AND SENATOR ALARIO

1 AN ACT

2 To amend and reenact R.S. 27:241(A), 241.1, 243(C), 247, and 270(A)(3), and Subpart P-1  
3 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes  
4 of 1950, comprised of R.S. 39:100.81, relative to the land-based casino operating  
5 contract; to provide relative to the duration of the primary contract term and the  
6 duration of renewal terms; to authorize a renewal term of thirty years when certain  
7 conditions are met; to provide relative to compensation paid to the Louisiana Gaming  
8 Control Board; to provide relative to the Compulsive and Problem Gaming Fund; to  
9 provide for a specific amount to be paid to the Louisiana Gaming Control Board and  
10 to provide for disposition and use of such monies; to provide for a specific amount  
11 to be paid to the state and to provide for disposition and use of such monies; to  
12 provide relative to funding for the Louisiana Cancer Research Center of the LSU  
13 Health Sciences Center in New Orleans/Tulane Health Sciences Center; to provide  
14 relative to the exercise of a call option to the leasehold interest in the official gaming  
15 establishment; to provide for the deposit of monies into certain special treasury  
16 funds; to provide with respect to the Community Water Enrichment and Other  
17 Improvements Fund and accounts therein; to provide relative to the contract and  
18 payment for casino support services; to provide for a specific amount to be paid to  
19 the governing authority for the parish where the official gaming establishment is  
20 located for providing casino support services; to provide relative to the casino  
21 gaming operator's authority to conduct and offer non-casino gaming activities and  
22 operations; to provide for certain restrictions on certain non-casino gaming activities

1 including restaurants and hotels; to provide relative to a memorandum of  
 2 understanding and agreement between the casino gaming operator and the Greater  
 3 New Orleans Hotel and Lodging Association; to provide relative to a memorandum  
 4 of understanding and agreement between the casino gaming operator and the  
 5 Louisiana Restaurant Association; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 27:241(A), 241.1, 243(C), 247, and 270(A)(3) are hereby amended  
 8 and reenacted to read as follows:

9 §241. Board to let contract to conduct casino gaming operations; bid specifications;  
 10 compensation of casino gaming operator; contract renewal

11 A.(1) Notwithstanding any provision of law to the contrary, the board of  
 12 directors shall publicly advertise, offer, and let, in accordance with the provisions of  
 13 this Chapter, a contract to conduct casino gaming operations at a single official  
 14 gaming establishment to be located upon the site of the Rivergate Convention Center  
 15 in Orleans Parish. The initial term of the contract and any option to extend or renew  
 16 the initial term of the contract may not exceed a total of twenty years primary term  
 17 and one ten-year renewal option except as provided in this Subsection. The contract  
 18 or renewal option to conduct casino operations shall not be subject to sale, alienation,  
 19 assignment, or transfer by the casino gaming operator except as provided for in this  
 20 Chapter.

21 (2)(a) Notwithstanding any law to the contrary, upon meeting the  
 22 requirements of Subparagraph (b) of this Paragraph and upon a showing that  
 23 additional renewals of the casino operating contract will benefit the economy of the  
 24 state, encourage the continued growth of tourism, and promote the stability of casino  
 25 operations at the land-based casino, and subject to the approval of any change in  
 26 terms of the casino operating contract by the Joint Legislative Committee on the  
 27 Budget and the approval by the New Orleans City Council, the mayor of the city of  
 28 New Orleans, and the casino operator of all matters necessary to implement the  
 29 provisions of the extension, the Louisiana Gaming Control Board shall approve and  
 30 enter into additional thirty-year renewal terms of the casino operating contract, in

1 addition to the initial term and the ten-year renewal term, subject to compliance with  
2 the provisions of this Chapter.

3 (b) Prior to July 15, 2024, the casino operator shall make a capital  
4 investment on or around the official gaming establishment of three hundred and  
5 twenty-five million dollars, subject to an extension for any force majeure event,  
6 including any lawsuit, that delays construction, provided however, that in order for  
7 such extension to take place, the casino operator shall be required to post a bond or  
8 put monies in escrow to ensure satisfaction of the mandated capital spend and shall  
9 be required to proceed with construction immediately upon the cessation of the force  
10 majeure event.

11 (3) The thirty-year renewal term, extending the casino operating contract to  
12 July of 2054, shall contain provisions that do all of the following:

13 (a) As provided in R.S. 27:247, require the casino operator to annually pay  
14 directly to the governing authority of the parish where the official gaming  
15 establishment is located a sum of money as set forth in R.S. 27:247 to compensate  
16 the parish for the cost to the parish for providing support services resulting from the  
17 operation of the official gaming establishment and activities therein.

18 (b) As provided in R.S. 27:241.1(B), require the casino operator to annually  
19 pay to the Louisiana Gaming Control Board a sum of money as set forth in R.S.  
20 27:241.1(B), in addition to the existing obligation to remit to the Louisiana Gaming  
21 Control Board any fees or compensation, including compensation paid to the  
22 Louisiana Gaming Control Board pursuant to R.S. 27:241.1(A).

23 (c) As provided in R.S. 27:241.1(C), require the casino operator to pay to the  
24 Louisiana Gaming Control Board an annual license payment as set forth in R.S.  
25 27:241.1(C), in addition to the existing obligation to remit to the Louisiana Gaming  
26 Control Board any fees or compensation, including compensation paid to the  
27 Louisiana Gaming Control Board pursuant to R.S. 27:241.1(A) and (B).

28 (d)(i) Notwithstanding any provision of law to the contrary, the casino  
29 operator shall pay a sum of twenty-five million dollars to the state and to the city of

1 New Orleans to be paid and dispersed pursuant to the provisions of Item (ii) of this  
2 Subparagraph.

3 (ii) Seventy percent shall be paid to the state and thirty percent shall be paid  
4 to the city of New Orleans no later than ten days after all of the following occur:

5 (aa) Approval by the Joint Legislative Committee on the Budget of the  
6 amended casino operating contract.

7 (bb) Approval by the New Orleans City Council of an amended lease that  
8 reflects the parties' mutual understanding and economic development requirements  
9 consistent with this Chapter.

10 (cc) The execution of the amended casino operating contract reflecting the  
11 renewal of the contract through July of 2054.

12 (e) Notwithstanding any provision of law to the contrary, at such time as the  
13 real estate investment trust option holder, hereinafter referred to as "option holder",  
14 exercises, prior to October 1, 2020, its call option to the leasehold interest in the  
15 official gaming establishment, the casino operator shall pay a sum of forty million  
16 dollars, seventy percent of which shall be paid to the state and thirty percent of which  
17 shall be paid to the city of New Orleans, in three installments as follows:

18 (i) Twenty million dollars to be paid no later than ten days after the exercise  
19 of the call option if the following conditions have been fulfilled at the time of the  
20 exercise of the call option, or if the conditions have not been fulfilled at the time of  
21 the exercise of the call option, payment shall be made no later than ten days after the  
22 fulfillment of the following conditions:

23 (aa) Approval by the Joint Legislative Committee on the Budget of the  
24 amended casino operating contract.

25 (bb) Approval by the New Orleans City Council of an amended lease that  
26 reflects the parties' mutual understanding and economic development requirements  
27 consistent with this Chapter, and all approvals necessary for the assignment of the  
28 lease of the official gaming establishment or sublease to the option holder provided  
29 that there are no further requirements for remuneration to be paid or further  
30 concessions to be made by the casino operator or the option holder to the city of New

1 Orleans in connection with the approval of the assignment of the lease of the official  
2 gaming establishment or sublease to the option holder, except as provided in this  
3 Chapter.

4 (cc) The execution of the amended casino operating contract reflecting the  
5 renewal of the contract through July of 2054.

6 (ii) Ten million dollars on the first anniversary of the date on which the  
7 payment was made pursuant to Item (i) of this Subparagraph.

8 (iii) Ten million dollars on the second anniversary of the date on which the  
9 payment was made pursuant to Item (i) of this Subparagraph.

10 (f) Notwithstanding any provision of law to the contrary, if the call option  
11 to the leasehold interest in the official gaming establishment is not exercised by  
12 October 1, 2020, the casino operator shall pay a sum of forty million dollars, seventy  
13 percent of which shall be paid to the state and thirty percent of which shall be paid  
14 to the city of New Orleans, in three installments as follows:

15 (i) Twenty million dollars to be paid no later than ten days after October 1,  
16 2020.

17 (ii) Ten million dollars on the first anniversary of the date on which the  
18 payment was made pursuant to Item (i) of this Subparagraph.

19 (iii) Ten million dollars on the second anniversary of the date on which the  
20 payment was made pursuant to Item (i) of this Subparagraph.

21 \* \* \*

22 §241.1. Minimum compensation payments; effective March 31, 2001; payments  
23 beginning August 1, 2022

24 A. Notwithstanding the provisions of R.S. 27:241(C) or any other law to the  
25 contrary, effective midnight March 31, 2001, the minimum compensation to be paid  
26 by the casino operator to the Louisiana Gaming Control Board shall be the greater  
27 of: (i) eighteen and one-half percent of gross revenues or (ii) fifty million dollars for  
28 the casino fiscal year April 1, 2001 through March 31, 2002, ~~and~~ sixty million  
29 dollars for ~~each~~ the casino fiscal year April 1, 2002 through March 31, 2022, and

1           sixty-five million dollars for the casino year April 1, 2022 and for each casino fiscal  
2           year thereafter. Such amount shall be allocated as provided in R.S. 27:270(A)(3)(b).

3           B.(1) In addition to any existing obligation to remit to the Louisiana Gaming  
4           Control Board any fees or compensation, including compensation paid to the state  
5           pursuant to the provisions of this Section, beginning on August 1, 2019, and  
6           concluding July 31, 2054, the casino operator shall annually pay to the state the sum  
7           of money set forth in Paragraph (2) of this Subsection which shall be used solely for  
8           the purpose of providing funding to the Louisiana Cancer Research Center of the  
9           LSU Health Sciences Center in New Orleans/Tulane Health Sciences Center.

10           (2)(a) Except as provided in Subparagraph (b) of this Paragraph, beginning  
11           on October 1, 2019, the payment required by Paragraph (1) of this Subsection shall  
12           be equal to three million four hundred thousand dollars.

13           (b) Beginning on August 1, 2024, the amount set forth in Subparagraph (a)  
14           of this Paragraph shall be adjusted by a rate that is the lesser of two percent or the  
15           Consumer Price Index, United States city average for all urban customers (CPI-U),  
16           as prepared by the United States Department of Labor, Bureau of Labor Statistics for  
17           the two calendar years immediately preceding the adjustment, with adjustments  
18           being made to this amount in the same manner every two years thereafter.

19           C. Beginning in casino fiscal year April 1, 2022 and each casino fiscal year  
20           thereafter, in addition to any existing obligation to remit to the Louisiana Gaming  
21           Control Board any fees or compensation, including compensation paid to the  
22           Louisiana Gaming Control Board pursuant to the provisions of this Section, the  
23           casino operator shall annually pay to the Louisiana Gaming Control Board an annual  
24           license payment of three million dollars, of which five hundred thousand dollars  
25           shall be deposited in and credited to the Compulsive and Problem Gaming Fund  
26           established in R.S. 28:842.

27                           \*       \*       \*

28           §243. Requirements for casino operating contract

29                           \*       \*       \*

1 C. As to Beginning August 1, 2019, the casino operator is authorized to  
2 conduct the following non-casino related activities at the official gaming  
3 establishment or at another location subject to the requirements set forth in  
4 Paragraphs (1), (2), (3), and (4) of this Subsection:

5 (1) The casino gaming operator: may offer food and restaurant facilities at  
6 or in the vicinity of the official gaming establishment consistent with the terms of  
7 any agreement between the casino operator and the Louisiana Restaurant Association  
8 and its successors, as such agreement may be amended from time to time.

9 ~~(a) May directly offer a single restaurant facility with table food within the~~  
10 ~~official gaming establishment, provided that the seating does not exceed one hundred~~  
11 ~~fifty seats.~~

12 ~~(b) May directly offer limited cafeteria style food services for employees and~~  
13 ~~patrons provided that seating for patrons shall be limited to four hundred seats and~~  
14 ~~further that any such seating shall be used only for buffet seating.~~

15 ~~(c) May directly cater events within the official gaming establishment~~  
16 ~~provided that such catering on the second floor of the facility shall be limited to~~  
17 ~~targeted persons identified in Subparagraph (g) of this Paragraph, and provided~~  
18 ~~further that the casino gaming operator shall permit persons contracting a catered~~  
19 ~~event the option of using outside caterers.~~

20 ~~(d) May lease space on the second floor of the official gaming establishment~~  
21 ~~to unaffiliated third parties that shall be permitted to operate no more than two~~  
22 ~~restaurants with seating for no more than three hundred fifty persons, in the~~  
23 ~~aggregate.~~

24 ~~(e) May directly operate non-casino related businesses on the second floor~~  
25 ~~of the casino provided that, other than as provided in Subparagraph (c) of this~~  
26 ~~Paragraph, any food for such operation shall be purchased or catered by a third party~~  
27 ~~restaurateur or food preparer with purchases at fair market value.~~

28 ~~(f) May lease space to third parties that may operate non-casino related~~  
29 ~~businesses on the second floor of the official gaming establishment provided that the~~  
30 ~~primary purpose of such business is not a restaurant which shall require that no more~~

1           ~~than thirty-five percent of the revenues of such business shall be derived from the~~  
2           ~~sale of food.~~

3           ~~(g) May not offer or advertise complimentary or discounted food offerings~~  
4           ~~to the general public within a fifty-mile radius of the official gaming establishment~~  
5           ~~and within Louisiana, but may, nonetheless, offer and advertise complimentary or~~  
6           ~~discounted food offerings to: (i) a patron that is a member of a customer reward~~  
7           ~~system or otherwise maintained on a data base; (ii) a known "high roller" or patrons~~  
8           ~~on a junket with established play at the casino or with other casinos; (iii) a person~~  
9           ~~that, based upon observed win or loss levels, is eligible to obtain discounted or full~~  
10           ~~complimentary food offerings; (iv) a targeted prospective customer outside a fifty-~~  
11           ~~mile radius of the official gaming establishment or not within the state, provided that~~  
12           ~~no advertising of complimentary or discounted food offerings for such persons shall~~  
13           ~~be disseminated to the general public such as on billboards or in the print media; (v)~~  
14           ~~a person that has suffered a service error that results in complimentary or discounted~~  
15           ~~food offerings to rectify the error in service; or (vi) a vendor or other person visiting~~  
16           ~~the official gaming establishment for business or educational purposes. In no event~~  
17           ~~shall the casino gaming operator prospect for new customers in this state and within~~  
18           ~~a fifty-mile radius of the official gaming establishment through use of~~  
19           ~~complimentary or discounted food offerings disseminated through any advertising~~  
20           ~~media whether newspaper, television, direct mail, coupons, or billboards.~~

21           ~~(h) May lease space to area restaurant owners and food preparers who may~~  
22           ~~offer to provide for food service in a kiosk area, in the official gaming establishment~~  
23           ~~provided that all seating for any kiosk area or areas shall be limited to an aggregate~~  
24           ~~of one hundred seats which shall be used only for kiosk seating.~~

25           ~~(i) May (2) The casino operator may have a meeting space for parties, VIP~~  
26           ~~events, and the like but shall not rent business meeting space for business seminars~~  
27           ~~and training associated with the sale or purchase of rentable units, unless such~~  
28           ~~rentable units are rented at the rates established as provided in Subparagraph~~  
29           ~~(C)(2)(b) (3)(b) of this Subsection.~~



1           ~~(2)~~(3) The casino gaming operator, on its own or through an affiliate, shall  
2 not provide lodging, except that the casino gaming operator may own or operate  
3 offsite lodging, ~~which may be physically connected to the official gaming~~  
4 ~~establishment, subject to the following conditions:~~ at or in the vicinity of the official  
5 gaming establishment consistent with the following conditions and any agreement  
6 between the casino operator and the Greater New Orleans Hotel and Lodging  
7 Association and its successors, as such agreement may be amended from time to  
8 time:

9           (a) There shall be no more than four hundred fifty rentable units, and not  
10 more than fifteen thousand square feet of meeting space if a hotel is newly  
11 constructed or twenty thousand square feet if an existing hotel is purchased or leased  
12 that contains such space, from April 1, 2001 to March 31, 2005, provided that after  
13 March 31, 2005, additional rentable units may be owned or operated with additional  
14 meeting space, only in accordance with any agreement for such increases entered  
15 into by and between the casino gaming operator and the Greater New Orleans Hotel-  
16 Motel Association and its successors, as such agreement may be amended from time  
17 to time.

18           (b) Except as provided in Subparagraph (c) of this Paragraph and Paragraph  
19 (4)(a) of this Subsection, the casino gaming operator shall not advertise room rates  
20 to the general public at below market rates. The casino gaming operator shall base  
21 room rates on average seasonal rates for the preceding year of hotels located in the  
22 Central Business District and French Quarter of the parish of the official gaming  
23 establishment as compiled by a nationally recognized firm that compiles data on  
24 room rates for such parish.

25           (c) The casino gaming operator shall not offer complimentary or discounted  
26 hotel offerings to the general public, but may, nonetheless, offer complimentary or  
27 discounted hotel offerings to: (i) a patron that is a member of the casino gaming  
28 operator's or manager's customer reward system or otherwise maintained on the  
29 casino ~~gaming~~ operator's or manager's data base; (ii) a known "high roller" or patrons  
30 on a junket with established play at the official gaming establishment or with other

1 casinos; (iii) a person that, based upon observed win or loss levels at the casino, is  
2 eligible to a discount or full complimentary offerings; (iv) a targeted prospect outside  
3 a fifty-mile radius of the official gaming establishment, or not within the state; (v)  
4 a person that has suffered a service error that results in a complimentary rate or  
5 discount to rectify the error in service; or (vi) a vendor or other person visiting the  
6 casino for business or educational purposes.

7 (d) The casino ~~gaming~~ operator shall not advertise to the general public,  
8 which does not include those individuals specified in Items (c)(i) through (vi) of this  
9 Paragraph, complimentary or discounted hotel rates; however, the casino gaming  
10 operator may advertise rooms rented at the rates established in Subparagraph (b) of  
11 this Paragraph on billboards outside a fifty-mile radius of the official gaming  
12 establishment or on billboards outside of Louisiana. The casino ~~gaming~~ operator  
13 may otherwise prospect for new customers through advertising media so long as the  
14 pricing for rooms is consistent with the rate structure as set forth in Subparagraph (b)  
15 of this Paragraph.

16 ~~(e)(4)(a)~~ The casino operator is subject to the requirements of a  
17 memorandum of understanding and agreement entered into with the Greater New  
18 Orleans Hotel and Lodging Association dated April 2019, which may include an  
19 authorization to provide an agreed-upon number of additional hotel rooms at a new  
20 hotel site, and a memorandum of understanding and agreement entered into with the  
21 Louisiana Restaurant Association dated March 2018. Any action related to the  
22 enforcement of the memoranda of understanding and agreements shall be instituted  
23 in the Civil District Court for the Parish of Orleans. The Louisiana Gaming Control  
24 Board shall retain jurisdiction over the casino operator's compliance with the  
25 provisions of this Chapter and any regulations or rules adopted by the Louisiana  
26 Gaming Control Board.

27 (b) Among other things, the memorandum of understanding and agreement  
28 with the Greater New Orleans Hotel and Lodging Association dated April 2019, shall  
29 provide for the following:

1                    (i) Only for those additional rooms authorized by the memorandum of  
2                    understanding and agreement dated April 2019, advertising of market rates shall be  
3                    based on average seasonal rates for the preceding year of luxury hotels in the Central  
4                    Business District, French Quarter, and Warehouse District of the City of New  
5                    Orleans, as compiled by a nationally recognized firm.

6                    (ii) For rooms existing prior to August 1, 2018, Room room taxes shall be  
7                    paid by the casino gaming operator on all discounted and complimentary rooms to  
8                    be paid at the applicable tax rates based upon average seasonal rates for the  
9                    preceding year of hotels in the Central Business District; and French Quarter of the  
10                   parish of the official gaming establishment City of New Orleans, as compiled by a  
11                   nationally recognized firm. For those hotel rooms added after 2019 and authorized  
12                   by the memorandum of understanding and agreement dated April 2019, room taxes  
13                   shall be paid by the casino operator on all discounted and complimentary rooms to  
14                   be paid at the applicable tax rates based upon average seasonal rates for the  
15                   preceding year of luxury hotels in the Central Business District, French Quarter, and  
16                   Warehouse District of the City of New Orleans, as compiled by a nationally  
17                   recognized firm.

18                   ~~(3)(5)~~ The casino gaming operator shall not engage in such activities as are  
19                   prohibited by the casino operating contract.

20                   \*           \*           \*

21                   §247. Casino support services contract; ~~Casino Support Services Fund~~

22                   ~~A. Subject to and in accordance with the provisions of this Chapter, the~~  
23                   ~~gaming control board shall enter into a casino support services contract with the~~  
24                   ~~governing authority of the parish where the official gaming establishment is located~~  
25                   ~~in order to compensate the parish for the cost to the parish for providing support~~  
26                   ~~services resulting from the operation of the official gaming establishment and the~~  
27                   ~~activities therein. Support services as used in this Section shall include but not be~~  
28                   ~~limited to fire, police, sanitation, health, transportation, and traffic services. The~~  
29                   ~~amount of the contract shall be determined by negotiation and agreement between~~  
30                   ~~the gaming control board and the parish, subject to approval by the Joint Legislative~~

1           ~~Committee on the Budget. In the event that a new contract is not agreed upon by the~~  
2           ~~gaming control board and the parish by March thirty-first of any year, the contract~~  
3           ~~currently in effect shall be submitted to the Joint Legislative Committee on the~~  
4           ~~Budget for approval of the amount of the contract at the next meeting of the~~  
5           ~~committee. If the committee approves the amount of the contract the chairman shall~~  
6           ~~notify the treasurer of the amount of the contract and, the contract shall remain in full~~  
7           ~~force and effect. If the committee disapproves or does not act upon the amount of~~  
8           ~~the contract, the contract shall be null, void, and of no effect and the treasurer shall~~  
9           ~~be prohibited from depositing monies into the Casino Support Services Fund.~~

10           ~~B.(1) There is hereby created in the state treasury, as a special fund, the~~  
11           ~~Casino Support Services Fund, hereinafter referred to as the "fund", to provide~~  
12           ~~compensation to the parish governing authority pursuant to a casino support services~~  
13           ~~contract executed pursuant to Subsection A of this Section.~~

14           ~~(2) Monies in the fund shall be invested in the same manner as monies in the~~  
15           ~~general fund. Interest earned on investment of monies in the fund shall be credited~~  
16           ~~to the fund. Unexpended and unencumbered monies in the fund at the end of the~~  
17           ~~fiscal year shall remain in the fund.~~

18           ~~C. Monies in the fund shall be appropriated to the parish governing authority~~  
19           ~~and used to compensate the parish for its costs for providing support services~~  
20           ~~resulting from the operation of the official gaming establishment and the activities~~  
21           ~~therein.~~

22           A. Beginning on August 1, 2019, and continuing throughout the term of the  
23           casino operating contract, the casino operator shall annually pay directly to the  
24           governing authority of the parish where the official gaming establishment is located,  
25           the sum of money set forth in Subsection B of this Section to compensate the parish  
26           for the cost to the parish for providing support services resulting from the operation  
27           of the official gaming establishment and activities therein.

28           B.(1) Except as provided in Paragraph (2) of this Subsection, beginning on  
29           August 1, 2019, the annual payment required by Subsection A of this Section shall  
30           be equal to six million dollars payable in quarterly installments.

1                   (2) Beginning on August 1, 2024, the amount set forth in Paragraph (1) of  
 2                   this Subsection shall be adjusted by a rate that is the lesser of two percent or the  
 3                   Consumer Price Index, United States city average for all urban customers (CPI-U),  
 4                   as prepared by the United States Department of Labor, Bureau of Labor Statistics for  
 5                   the two calendar years immediately preceding the adjustment, with adjustments  
 6                   being made to this amount in the same manner every two years thereafter.

7   \*       \*       \*

8                   §270. Deposit of revenues; expenditures and investments authorized; transfer of  
 9                   revenues to state treasury; corporation operating account; audit of  
 10                   corporation books and records; audits

11                   A.

12   \*       \*       \*

13                   (3)(a) Daily, the corporation shall transfer to the state treasury for deposit  
 14                   into certain funds in the treasury, as provided in this Paragraph, the amount of net  
 15                   revenues which the corporation determines are surplus to its needs. After first being  
 16                   credited to the Bond Security and Redemption Fund in accordance with Article VII,  
 17                   Section 9(B) of the Constitution of Louisiana, and after satisfying any other  
 18                   requirements of the Constitution and laws of Louisiana, such net revenues shall be  
 19                   allocated and deposited as follows:

20                   ~~(i) In each year for which the Joint Legislative Committee on the Budget~~  
 21                   ~~disapproves or does not act upon the amount of the casino support services contract~~  
 22                   ~~as provided in R.S. 27:247 and no monies are deposited in and credited to the Casino~~  
 23                   ~~Support Services Fund; provided in this Paragraph.~~

24                   (b)(i) Beginning August 1, 2019, and through March 31, 2022, if the amount  
 25                   received pursuant to R.S. 27:241.1(A) is sixty million dollars or less, the amount  
 26                   received shall be allocated as follows:

27                   (aa) Ten percent shall be deposited in and credited to the Support Education  
 28                   in Louisiana First Fund as provided in R.S. 17:421.7 and shall be used solely and  
 29                   exclusively for the same purposes provided for in Paragraph (B)(1) of that Section.

1 (bb) Ninety percent shall be deposited in and credited to the Support  
 2 Education in Louisiana First Fund as provided in R.S. 17:421.7.

3 ~~(ii) In each year for which the Joint Legislative Committee on the Budget~~  
 4 ~~approves the amount of the casino support services contract as provided in R.S.~~  
 5 ~~27:247:~~

6 ~~(aa) The first one million eight hundred thousand dollars shall be deposited~~  
 7 ~~in and credited to the Casino Support Services Fund.~~

8 ~~(bb) The next sixty million dollars shall be deposited in and credited to the~~  
 9 ~~Support Education in Louisiana First Fund as provided in R.S. 17:421.7.~~

10 ~~(cc) After satisfying the requirements of Subitems (aa) and (bb) of this Item,~~  
 11 ~~monies shall be deposited into the Casino Support Services Fund until the casino~~  
 12 ~~support services contract is fully funded for that year.~~

13 ~~(dd) After satisfying the requirements of Subitem (cc) of this Item, the~~  
 14 ~~remainder of the monies shall be deposited in and credited to the Support Education~~  
 15 ~~in Louisiana First Fund as provided for in R.S. 17:421.7.~~

16 (ii) Beginning August 1, 2019, and through March 31, 2022, if the amount  
 17 received pursuant to R.S. 27:241.1(A) is greater than sixty million dollars, after  
 18 satisfaction of the requirements of Item (i) of this Subparagraph, all residual monies  
 19 shall be allocated in the following order:

20 (aa) Three million six hundred thousand dollars shall be deposited in and  
 21 credited to the Louisiana Early Childhood Education Fund established under R.S.  
 22 17:407.30.

23 (bb) Of the monies remaining after satisfaction of the requirements of  
 24 Subitem (aa) of this Item, thirty percent shall be distributed by the state treasurer to  
 25 the governing authority of the parish in which the official gaming establishment is  
 26 located for use in support of capital infrastructure projects, and seventy percent shall  
 27 be deposited in and credited to the Community Water Enrichment and Other  
 28 Improvements Fund established under R.S. 39:100.81.

1 (c)(i) Beginning April 1, 2022, if the amount received pursuant to R.S.  
2 27:241.1(A) is sixty-five million dollars or less, the amount received shall be  
3 allocated as follows:

4 (aa) Ten percent shall be deposited in and credited to the Support Education  
5 in Louisiana First Fund as provided in R.S. 17:421.7 and shall be used solely and  
6 exclusively for the same purposes provided for in Paragraph (B)(1) of that Section.

7 (bb) Ninety percent shall be deposited in and credited to the Support  
8 Education in Louisiana First Fund as provided in R.S. 17:421.7.

9 (ii) Beginning April 1, 2022, if the amount received pursuant to R.S.  
10 27:241.1(A) is greater than sixty-five million dollars, after satisfaction of the  
11 requirements of Item (i) of this Subparagraph, all residual monies shall be allocated  
12 in the following order:

13 (aa) Three million six hundred thousand dollars shall be deposited in and  
14 credited to the Louisiana Early Childhood Education Fund established under R.S.  
15 17:407.30.

16 (bb) Of the monies remaining after satisfaction of the requirements of  
17 Subitem (aa) of this Item, thirty percent shall be distributed by the state treasurer to  
18 the governing authority of the parish in which the official gaming establishment is  
19 located for use in support of capital infrastructure projects, and seventy percent shall  
20 be deposited in and credited to the Community Water Enrichment and Other  
21 Improvements Fund established under R.S. 39:100.81.

22 ~~(b)~~(d) Net revenues or proceeds shall be determined by deducting from gross  
23 corporation revenues the necessary expenses incurred by the corporation in the  
24 operation and administration of the casino gaming operations. This shall include the  
25 expenses of the corporation, the expenses resulting from any contract or contracts  
26 entered into for ordinary and customary business services rendered to the  
27 corporation, and the amount required to be transferred to the state treasury pursuant  
28 to Paragraph (2) of this Subsection.

29 \* \* \*

1           Section 2. Subpart P-1 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the  
2 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.81, is hereby amended and  
3 reenacted to read as follows:

4                           SUBPART P-1. COMMUNITY WATER ENRICHMENT

5   AND OTHER IMPROVEMENTS FUND

6           §100.81. Community Water Enrichment and Other Improvements Fund

7                   A. There is hereby created in the state treasury, as a special fund, the  
8 Community Water Enrichment and Other Improvements Fund, hereinafter referred  
9 to as the "fund". The fund shall consist of two accounts: the Water System  
10 Enrichment Account and the Other Improvements Account. Subject to appropriation  
11 by the legislature, monies in the ~~fund~~ Water System Enrichment Account shall be  
12 used solely to fund rehabilitation, improvement, and construction projects for  
13 community water systems to provide drinking water to Louisiana's small rural  
14 communities. Subject to appropriation by the legislature, monies in the Other  
15 Improvements Account shall be used by the office of community development solely  
16 to provide for a grants program for local governments to assist with capital,  
17 infrastructure, and other projects.

18                   B. The fund shall consist of monies deposited annually pursuant to R.S.  
19 27:270(A)(3)(b)(ii)(bb) or (c)(ii)(bb), with fifty percent to be deposited in and  
20 credited to the Water System Enrichment Account and fifty percent to be deposited  
21 in and credited to the Other Improvements Account. Further, the fund shall also  
22 consist of any other monies appropriated, allocated, or transferred to the fund.  
23 Monies in the fund shall be invested in the same manner as monies in the state  
24 general fund. Interest earned on investment of monies in the fund shall be credited  
25 to the fund. Unexpended and unencumbered monies in the fund at the end of the  
26 fiscal year shall remain in the fund.



1           Section 3. On the effective date of this Act, the state treasurer shall transfer all  
2 monies in the Community Water Enrichment Fund at the close of the prior business day for  
3 a one-time deposit and credit to the Water System Enrichment Account within the  
4 Community Water Enrichment and Other Improvements Fund.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_