
DIGEST

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Lopinto

HB No. 445

Abstract: Authorizes the holding of franchise payments in trust and establishes liability of device owner business associates to remit franchise payments.

Present law authorizes the operation of video draw poker devices and provides for the remission of franchise payments to the state for the operation of those devices.

Proposed law retains present law and provides that the franchise payment authorized by present law shall be held by the device owner on behalf of the state of La., until such time as the franchise payment is remitted to and received by the division. Any franchise payment held in accordance with proposed law shall be deemed to be held in trust for the state of La.

Proposed law further provides that upon failure of a device owner to remit any portion of the franchise payment to the division, the device owner and its shareholders, officers, and directors if a corporation, its partners if a partnership, and its members, managers, and managing members if a limited liability company, shall be jointly and severally liable to the state of La. for the franchise payment until it is remitted to and received by the division.

Further provides that the gaming control board shall adopt rules to implement proposed law.

(Adds R.S. 27:311(D)(5) and (6))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Administration of Criminal Justice to the original bill.

1. Removed references to a constructive trust from proposed law.
2. Provided for joint or several liability for certain individuals and business entities which fail to remit required franchise payments.