

2025 Regular Session

HOUSE BILL NO. 540

BY REPRESENTATIVES FONTENOT, BOYD, WILFORD CARTER, DAVIS, EGAN,
FISHER, HUGHES, JORDAN, LACOMBE, LAFLEUR, MARCELLE, MENA,
NEWELL, ST. BLANC, WILLARD, AND WYBLE

AN ACT

To amend and reenact R.S. 27:412(B)(1) and (2), 413(A) and (B), 414(introductory paragraph), 416(A), (C)(2)(a) through (c) and (3)(b), 437(C)(introductory paragraph), (3), and (4), and 439(Section heading) and to enact R.S. 27:415(C) through (G), 437(C)(5), and 439(C) and (D), relative to video draw poker machines; to change the number of video draw poker machines permissible in certain businesses; to provide for criteria to qualify for additional video draw poker machines; to provide definitions; to provide for areas in which video draw poker machines shall be prohibited; to establish the Video Draw Poker Device Purse Supplement Subfund and provide for deposit and use of monies in the subfund; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 27:412(B)(1) and (2), 413(A) and (B), 414(introductory paragraph), 416(A), (C)(2)(a) through (c) and (3)(b), 437(C)(introductory paragraph), (3), and (4), and 439(Section heading) are hereby amended and reenacted and R.S. 27:415(C) through (G) and 437(C)(5) and 439(C) and (D) are hereby enacted to read as follows:

§412. State license qualifications; types of licenses

* * *

B. The three categories of licenses which may be issued to qualified establishments for the operation of video draw poker devices are as follows:

(1) A license to operate a maximum of ~~three~~ four video draw poker devices at establishments licensed to sell alcoholic beverages for consumption on the premises of the establishment as provided for in R.S. 27:413.

1 (2) A license to operate a maximum of ~~fifty~~ sixty video draw poker devices
2 at qualified truck stop facilities as provided for in R.S. 27:416.

3 * * *

4 §413. Licenses to operate video draw poker devices at certain alcoholic beverage
5 facilities; multiple facilities

6 A.(1) A person who has been granted a Class A-General retail permit or a
7 Class A-Restaurant permit, as defined in Part II of Chapter 1 or Part II of Chapter 2
8 of Title 26 of the Louisiana Revised Statutes of 1950, to sell alcoholic beverages for
9 consumption on the premises of a restaurant, bar, tavern, cocktail lounge, or club
10 only, or such an establishment located within a motel or hotel may be granted a
11 license for the placement of not more than ~~three~~ four video draw poker devices in his
12 licensed establishment.

13 (2) To qualify for the placement of a fourth video draw poker device, the
14 three video draw poker devices placed at a licensed establishment shall earn a
15 combined gross device revenue of at least one hundred thousand dollars for the three
16 consecutive months prior to the licensed device owner, as defined in R.S. 27:402,
17 requesting a fourth device. For purposes of this Section, the term "gross device
18 revenue" means the total amount of cash inserted into the three video draw poker
19 devices for the consecutive three-month period. "Gross device revenue" shall not
20 apply to the net device revenue calculation as defined in R.S. 27:402.

21 B. A person who is the owner of more than one restaurant, bar, tavern,
22 cocktail lounge, or club which is located within a single building or structure, and
23 who has been granted a Class A-General retail permit or a Class A-Restaurant
24 permit, as defined in Part II of Chapter 1 or Part II of Chapter 2 of Title 26 of the
25 Louisiana Revised Statutes of 1950, to sell alcoholic beverages for consumption on
26 the premises of each such facility, may make available for play not more than ~~three~~
27 four video draw poker devices at each separate facility, not to exceed a total of ~~nine~~
28 twelve video draw poker devices for the single building or structure, if that person
29 and each facility complies with all other requirements of this Chapter and of the
30 administrative rules that are applicable to the operation of video draw poker devices.

1 The limitation on the number of facilities contained in this Subsection shall not apply
2 to any person or entity who owns and operates multiple facilities which are located
3 in a publicly owned and operated transportation facility offering any transportation
4 to interstate and international destinations.

5 * * *

6 §414. Hotel and motel facilities; criteria

7 A licensee owning or leasing a licensed establishment which is a hotel or
8 motel which has more than one lounge or facility and which has a Class A-General
9 retail permit or a Class A-Restaurant permit, as defined in Part II of Chapter 1 or Part
10 II of Chapter 2 of Title 26 of the Louisiana Revised Statutes of 1950, to sell alcoholic
11 beverages for on-premises consumption on a single licensed premises may make
12 available for play not more than ~~three~~ four video draw poker devices at each lounge
13 or separate facility, not to exceed a total of ~~twelve~~ thirteen video draw poker devices
14 for the hotel or motel, if all other requirements of this Chapter are met. Each
15 separate lounge or facility shall meet the following criteria:

16 * * *

17 §415. Pari-mutuel wagering facility or offtrack wagering facility; no minimum
18 wager; location

19 * * *

20 C. No license shall be granted to any offtrack wagering facility located, at
21 the time application is made for a license to operate video draw poker devices, within
22 one mile from any property on the National Register of Historic Places, any public
23 playground, any residential property, or a building used primarily as a church,
24 synagogue, public library, or school. The measurement of the distance shall be a
25 straight line from the nearest point of the offtrack wagering facility to the nearest
26 point of the property on the National Register of Historic Places, the public
27 playground, residential property, or building used primarily as a church, synagogue,
28 public library, or school.

29 D. After an application is filed with the division, the subsequent
30 construction, erection, development, or movement of a property identified in

1 Subsection C of this Section which causes the location of an offtrack wagering
 2 facility to be within the prohibited distance shall not be cause for denial of an initial
 3 or renewal application or revocation of a license.

4 E. If a parish or municipality does not have a zoning ordinance which
 5 designates certain property within their jurisdiction as residential property, the
 6 governing authority of the parish or municipality shall have the authority to
 7 designate certain areas of their jurisdiction as residential districts for the purposes of
 8 this Section.

9 F. The prohibition provided for in Subsection C of this Section shall not
 10 apply to any offtrack wagering facility that is both licensed and operating on January
 11 1, 2025. If application for licensing is made after January 1, 2025, the prohibition
 12 in Subsection C of this Section shall apply.

13 G. For the purposes of this Section, "residential property" means any
 14 property which is wholly or partly used for or intended to be used for living or
 15 sleeping by human occupants and which includes one or more rooms, including a
 16 bathroom and complete kitchen facilities. Residential property shall include a
 17 mobile home or manufactured housing, provided that it shall have been in its present
 18 location for at least sixty days. Residential property shall not include any hotel or
 19 motel.

20 §416. Qualified truck stop facilities; number of devices; fuel sales

21 A. A person owning or leasing a qualified truck stop facility may be granted
 22 a license for the placement of not more than ~~fifty~~ sixty video draw poker devices in
 23 his facility based on the fuel sales as provided in Subsection C of this Section, in an
 24 area separated for adult patronage only, if all other requirements of this Chapter are
 25 met. There shall be only one license granted for the operation of video draw poker
 26 devices at each qualified truck stop facility.

27 * * *

28 C.

29 * * *

(2) Except as provided in R.S. 27:421 and Paragraph (3) of this Subsection, the number of video draw poker devices placed at a qualified truck stop facility shall be based on the average monthly fuel sales calculated quarterly, using four sets of three calendar months, for the first year of operation and thereafter shall be based upon the average monthly fuel sales calculated annually, using a calendar year, as follows:

(a) One hundred thousand gallons of fuel - not more than ~~fifty~~ sixty devices.

(b) Seventy-five thousand gallons of fuel - not more than ~~forty~~ forty-eight devices.

(c) Fifty thousand gallons of fuel - not more than ~~thirty-five~~ forty-two devices.

* * *

(3)

* * *

(b) After ten years of operation as a qualified truck stop facility, the facility shall thereafter be permitted to retain the number of devices for which the facility qualified in the prior calendar year of operation, not to exceed ~~forty~~ forty-eight devices, if the facility meets a minimum fuel sales requirement of not less than thirty thousand gallons per month. However, such qualified truck stop facility shall be required to comply with the provisions of Paragraph (1) of this Subsection. Any qualified truck stop facility that has met the provisions of this Paragraph on December 1, 2025, and has been granted the right to operate up to forty devices shall now qualify for the additional number of devices authorized by this Paragraph.

* * *

§437. Video Draw Poker Device Fund; distribution and expenditure

* * *

C. Except as provided in Paragraph Paragraphs (3) and (4) of this Subsection, the monies in the Video Draw Poker Device Fund shall only be

1 withdrawn pursuant to appropriation by the legislature and shall be distributed as
2 follows:

3 * * *

4 (3) After the allocations provided in Paragraphs (1) and (2) of this
5 Subsection, amounts received in a fiscal year pursuant to R.S. 27:435 in excess of
6 the total amount generated pursuant to that provision in Fiscal Year 2023-2024 shall
7 be transferred and deposited into the Video Draw Poker Device Purse Supplement
8 Subfund established pursuant to R.S. 27:439(C) as follows:

9 (a) The first twenty-two million dollars of such revenues.

10 (b) Fifteen percent of all such revenues received in excess of the amount
11 provided in Subparagraph (a) of this Paragraph.

12 ~~(3)~~ (4) Any unexpended or unencumbered portion of the twenty-five percent
13 remaining in the Video Draw Poker Device Fund after the allocations made pursuant
14 to the provisions of Paragraph (1) of this Subsection at the end of the fiscal year shall
15 not revert to the state general fund but shall be distributed in accordance with the
16 provisions of Paragraph (1) of this Subsection. Any remaining portion of the
17 ~~seventy-five percent of the~~ unexpended or unencumbered monies in the Video Draw
18 Poker Device Fund after the allocations made pursuant to the provisions of
19 Paragraphs (2) and (3) of this Subsection at the end of the fiscal year shall revert to
20 the state general fund.

21 ~~(4)~~ (5) An amount equal to all franchise payments exempted ~~pursuant to R.S.~~
22 ~~27:321~~ shall be considered to be part of the Video Draw Poker Device Fund for
23 purposes of calculating the distribution of the fund pursuant to Paragraphs (1), (2),
24 and ~~(2)~~ (3) of this Subsection.

25 * * *

26 §439. Video Draw Poker Device Purse Supplement Fund and Subfund; distribution
27 and expenditure

28 * * *

29 C. The Video Draw Poker Device Purse Supplement Subfund, hereafter
30 referred to in this Section as the "subfund", is hereby established in the state treasury

1 as a subfund within the Video Draw Poker Device Purse Supplement Fund. Monies
2 transferred or deposited to the subfund shall be deposited by the state treasurer after
3 compliance with the provisions of Article VII, Section 9(B) of the Constitution of
4 Louisiana. Monies in the subfund shall be use solely as provided in Subsection D
5 of this Section.

6 D. Monies in the subfund shall be annually appropriated to the Louisiana
7 State Racing Commission within the office of the governor and shall be allocated as
8 follows:

9 (1) Sixty percent of the funds appropriated to the commission pursuant to
10 this Section shall be allocated and provided to the Horsemen's Bookkeeper to be used
11 at the licensed racing associations in the state which conduct live horse racing on the
12 basis of the proportion of the number of thoroughbred race days each association
13 conducted for the preceding year bears to the total number of thoroughbred race days
14 conducted statewide for the preceding year. These additional monies shall be
15 distributed in accordance with a schedule or formula established by the purse
16 committee of the Louisiana Thoroughbred Breeders Association on Louisiana-bred
17 thoroughbred races or for Louisiana-bred horses that earn a percentage of the purse
18 in a non-breed-restricted race.

19 (2) Thirty percent of the funds appropriated to the commission pursuant to
20 this Section shall be allocated and provided to the Louisiana Quarter Horse Breeders
21 Association to be used to supplement purses for Louisiana-bred quarter horses.

22 (3) Four and one-half percent of the funds appropriated to the commission
23 pursuant to this Section shall be allocated and provided to the Louisiana
24 Thoroughbred Breeders Association for Breeder Awards.

25 (4) Two and one-quarter percent of the funds appropriated to the commission
26 pursuant to this Section shall be allocated and provided to the Louisiana Quarter
27 Horse Breeders Association for Breeder Awards.

28 (5) Two percent of the funds appropriated to the commission pursuant to this
29 Section shall be allocated and provided to the Louisiana State Racing Commission.

1 (6) One and one-quarter percent of the funds appropriated to the commission
2 pursuant to this Section shall be allocated and provided to the Louisiana Horsemen's
3 Benevolent and Protective Association 1993, Inc.

4 Section 2. This Act shall become effective upon signature by the governor or, if not
5 signed by the governor, upon expiration of the time for bills to become law without signature
6 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
7 vetoed by the governor and subsequently approved by the legislature, this Act shall become
8 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____