

Leger (HB No. 320)

Present law provides that the gaming control board and the parish governing authority shall enter into a casino support services contract to compensate the governing authority for support services resulting from operation of the land-based casino. Requires approval of the Joint Legislative Committee on the Budget (JLCB). If a new contract is not agreed to by March 31, the contract currently in effect shall remain in full force and effect.

Proposed law would have retained present law.

Present law provides that if the JLCB disapproves or does not act upon the amount of the contract, it shall be nullified.

Proposed law would have retained present law and would have added a provision that if JLCB disapproves or does not act upon the amount of the contract, the treasurer would have been prohibited from depositing any monies into the Casino Support Services Fund which proposed law would have established as a special treasury fund.

Proposed law would have provided that monies in the fund be appropriated to the parish governing authority and used to compensate the parish for the cost to the parish of providing support services resulting from the operation of the official gaming establishment and the activities therein.

Present law provides that, of net revenues received from the land-based casino, up to \$500,000 shall be deposited into the Compulsive and Problem Gaming Fund. Further provides that the remainder of net revenues to be deposited to the state treasury shall be deposited as follows:

- (1) 10% shall be deposited in and credited to the Support Education in La. First (SELF) Fund to be used to provide the increase in salary of certain public pre-K through 12th grade certificated personnel and other public pre-K through 12th grade classroom teachers as provided in present law.
- (2) 90% to the SELF Fund.

Proposed law would have provided that the revenues be deposited as follows:

- (1) The first \$1,800,000 into the Casino Support Services Fund.
- (2) The next \$60 million into the SELF Fund.
- (3) Any revenues in excess of the above amounts were to be divided equally between the Casino Support Services Fund and the SELF Fund until the casino support services contract had been fully funded.
- (4) The remainder was to be deposited into and credited to the SELF Fund.

Present law establishes the SELF Fund. Provides that certain riverboat gaming franchise fees and casino net revenues shall be deposited into the fund to be used and expended solely as follows:

- (1) 70% percent of the monies in the fund shall be used to provide an increase in the salary of certain pre-K through 12th grade certificated personnel and for other public pre-K through 12th grade classroom teachers in FY 2001-2002 and annually to support such increase.
- (2) 30% of the monies in the fund shall be used to provide public postsecondary education faculty salary increases, including related benefits, to be distributed in accordance with a plan developed jointly by the Board of Regents and the division of administration in FY 2001-2002 and annually to support such increase.

Proposed law would have retained present law.

Would have been effective upon signature of governor or lapse of time for gubernatorial action.

(Proposed to amend R.S. 27:247 and 270(A)(3)(a))

VETO MESSAGE: "House Bill No. 320 by Representative Leger diverts the first \$1.8 million away from the Support Education in Louisiana First (SELF) Fund, a fund used to support salary expenses for K-12 and higher education, to a new Casino Support Services Fund.

House Bill No. 320 restructures the revenue flow into the SELF Fund and imperils future funding for K-12 and higher education salaries. The objective of the bill is to fund the City of New Orleans' casino support services contract, which has already been achieved through HB 1. I have vetoed similar legislation for the last three years and have included funding in HB 1 to fulfill the obligation of this contract for the last three years as well.

For these reasons, I have vetoed House Bill No. 320 and hereby return it to the House of Representatives."