The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Dawn Romero Watson.

DIGEST 2020 Regular Session

Peacock

Present constitution provides for gambling to be defined by and suppressed by the legislature.

<u>Present constitution</u> provides that no law authorizing a new form of gaming will be effective nor will such gaming be licensed or permitted to be conducted in a parish unless a referendum election on a proposition to allow such gaming is held in the parish and the proposition is approved by a majority of those voting thereon.

<u>Present constitution</u> provides that notwithstanding the present constitutional provisions regarding prohibited local and special laws, or any other provision of the constitution, the legislature by local or special law may provide for elections on propositions relating to allowing or prohibiting one or more forms of gaming authorized by law.

<u>Proposed law</u> provides for a proposition election to determine whether sports wagering activities and operations will be permitted in a particular parish. Limits the election to the parishes that currently have licensed riverboats and live horse race meetings and the land-based casino. Those parishes include: Bossier, Caddo, Calcasieu, East Baton Rouge, Jefferson, Orleans, St. Landry, and St. Mary. Provides that the proposition will be on the ballot at the statewide election occurring on November 3, 2020.

<u>Proposed law</u> provides that if a majority of the qualified electors in the parish voting on the proposition vote "for" the proposition, then sports wagering (in accordance with <u>proposed law</u>) will be permitted in such parish.

<u>Proposed law</u> provides that if a majority of the qualified electors in the parish voting on the proposition vote "against" the proposition, then sports wagering will not be permitted in the parish.

<u>Proposed law</u> enacts the Louisiana Sports Wagering Act.

SB 332 Original

<u>Present law</u> vests all regulatory authority, control, and jurisdiction over all aspects of gaming activities and operations of riverboats, the land-based casino, video poker, and fantasy sports contests with the Louisiana Gaming Control Board (board). Authorizes the board to revoke or suspend a license or permit and to impose a civil penalty of up to \$100,000 for violations of <u>present law</u> relative to riverboats, the land-based casino, slot gaming at tracks, video poker, and fantasy sports contests. Provides for the board to adopt a schedule of penalties for violations of <u>present law</u> or any rule.

<u>Proposed law</u> retains <u>present law</u> and adds authority, control, and jurisdiction for the board over sports wagering and adds the sports wagering law to provisions for which revocation or suspension

of a license or permit and civil penalties apply.

<u>Proposed law</u> provides for the following definitions:

- (1) "Board" means the Louisiana Gaming Control Board.
- (2) "Casino" means licensed riverboat or race track or the land based casino. "Casino" also includes the entirety of the building and improvements located upon a riverboat vessel or at a riverboat facility, at a race track, or at the land based casino.
- (3) "Commission" means the Louisiana State Racing Commission.
- (4) "Eligible facility" means a facility licensed by the Louisiana State Racing Commission to conduct live horse racing meetings.
- (5) "Net sports wagering proceeds" means the gross revenue attributable to sports wagering operations less the total amount or value paid out to winning patrons.
- (6) "Operator" means a casino that has elected to operate a sports pool and any suitable entity with whom a casino contracts to operate a sports pool.
- (7) "Person" means any individual, partnership, association, joint stock association, or trust, corporation, or other business entity whether incorporated or not.
- (8) "Sports event" or "sporting event" means any professional sport or athletic event, any Olympic or international sports competition event, any collegiate sports or athletic event. "Sports event" or "sporting event" does not include a prohibited event or fantasy sports activity. A prohibited event is all high school sports or youth athletic events, electronic sports, and competitive video games.
- (9) "Sports pool" means the business of accepting wagers on any sports event by any system or method of wagering.
- (10) "Sports wagering lounge" means the area of a casino approved by the board for sports pool activities.
- (11) "Suitable" is a set of standards provided in <u>present law</u> regarding character, background, reputation, etc. that persons applying for a license or permit or a contract with the board must meet.

<u>Proposed law</u> authorizes the board to promulgate all rules necessary to implement, administer, and regulate sports wagering. Provides that the board follow its regulatory processes for dispute resolutions for disputes arising from sports wagering.

Proposed law provides that in a parish where voters approved sports wagering, a casino may operate

a sports pool.

<u>Proposed law</u> requires the board to promulgate rules regarding limitations on certain wagers being accepted by the operator. Limitations include:

- (1) An operator shall not knowingly accept wagers from any person under 21 years of age.
- (2) An operator shall not knowingly accept wagers from any person prohibited from wagering on sports events and comply with all identity verification and compulsive gaming verifications and protections set forth in law or rule.
- (3) An operator shall not knowingly accept wagers from any person who is an athlete, coach, referee, or other official prohibited from placing any wager on a sports event.

<u>Proposed law</u> requires the board to promulgate rules regarding limitations on persons who may place wagers. Limitations include:

- (1) A wager shall not be placed by a person who is under the age of 21 years.
- (2) A wager shall not be placed by a person who is an athlete, coach, referee, or director of a sports governing body or any of its member teams, a player or a referee personnel member, on any sports event overseen by that person's sports governing body based on publicly available information.
- (3) A wager shall not be placed by a person who holds a position of authority or influence sufficient to exert influence over the participants in the sporting contest, including but not limited to coaches, managers, handlers, athletic trainers, or horse trainers.
- (4) A wager shall not be placed by a person who has access to certain types of exclusive information on any sports events overseen by that person's sports governing body based on publicly available information.

<u>Proposed law</u> requires the board to promulgate rules providing a time period following a sporting event for claiming a winning wager by persons and for paying winning wagers by casinos.

Proposed law requires an operator to immediately report to the board:

- (1) Any criminal or disciplinary proceedings commenced against the operator or its employees in connection with the operations of a sports pool.
- (2) Any abnormal betting activity or patterns that may indicate a concern about the integrity of a sports event or events.
- (3) Any other conduct with the potential to corrupt a betting outcome of a sports event for purposes of financial gain, including but not limited to match fixing.

(4) Suspicious or illegal wagering activities, including the use of funds derived from illegal activity, wagers to conceal or launder funds derived from illegal activity, use of agents to place wagers, or use of false identification.

<u>Proposed law</u> authorizes an operator to accept wagers on sports events through self-service wagering machines or self-service kiosks.

<u>Proposed law</u> also authorizes an operator to accept wagers made electronically using a mobile or other digital platform. Requires that:

- (1) Prior to the acceptance of any electronic wager, a person shall establish a wagering account through the operator and an initial verification of the account be completed by the operator.
- (2) Electronic sports wagers only be placed within the boundaries of a casino and its amenities. Provides that a parking garage or parking area is not considered part of the casino or its amenities for purposes of <u>proposed law</u>. Provides that for electronic sports wagers to be allowed within the boundary of an amenity, the amenity shall be: approved by the board; owned or leased and controlled by the licensee or casino gaming operator; and within the vicinity of the casino.
- (3) An operator maintain geofencing or geolocation services and bears all costs and responsibilities as required by the board.

<u>Proposed law</u> provides that wagers may be accepted or pooled with wagers from persons who are not physically present in this state if the board determines that such wagering is not inconsistent with federal law or the law of this state, including any foreign nation, in which any such person is located, or the wagering is conducted pursuant to a reciprocal agreement to which the state is a party that is not inconsistent with federal law.

Present law prohibits gambling houses, gambling, gambling by computer.

<u>Proposed law</u> retains <u>present law</u> but makes an exception for gaming conducted in accordance with the Louisiana Sports Wagering Act.

<u>Present law</u> provides that it is unlawful for any person under 21 years of age to play casino games, gaming devices, or slot machines.

<u>Proposed law</u> retains <u>present law</u> and includes sports wagering to casino games persons under 21 years of age are prohibited from playing.

Provides that provisions of the Act regarding the proposition election shall be effective on June 10, 2020.

Provides that provisions of the Act regarding the authorization and regulation of sports wagering shall become effective on December 1, 2020, provided that a majority of the qualified electors in at

least one parish vote to approve the proposition to permit sports wagering in their parish.

(Amends R.S. 13:4721, R.S. 14:90(C), 90.3(F), and 90.5(C), and R.S. 27:15(B)(1), (D), and (E), 44(10), 205(12), and 371(C); adds R.S. 18:1300.24 and R.S. 27:15(B)(8)(c) and 551-555)