

purse supplements under other provisions of present law and are to be used at the current race meeting.

- (2) Monies earned for purse supplements from devices located at a racing facility not currently conducting live racing are to be placed in an interest-bearing account until the first day of the next live race meeting conducted at that facility, at which time the accumulated monies and interest earned on such monies are added to all other monies currently provided for purses and purse supplements at that race meeting under other provisions of present law and are to be used at that race meeting.
- (3) Monies earned for purse supplements from devices located at an OTB facility are to be used for purse supplements at the racing facilities of the owners of the OTB facility where the net device revenues were earned. In instances where the facilities are jointly owned, the monies earned for purse supplements at that facility shall be divided in direct proportion to ownership of the facility for use at their respective racing facilities. Provides that the distribution of monies earned for purse supplements are to be distributed in accordance with (1) and (2) above.
- (4) Four percent of all monies earned or authorized shall be paid the authorized representative of the horsemen for the use and benefit of such persons and other horsemen as medical and hospital benefits.
- (5) The Horsemen's Benevolent and Protective Association (HBPA) are deemed to hold a perfected security interest in and to all revenues earned for purse supplements until such revenues are distributed as provided in (4) above. All purse supplements to be distributed to the HBPA are deemed to be held in trust for the HBPA by the licensee/racetrack until disbursed. A licensee/racetrack shall have a fiduciary duty to the HBPA to preserve and account for such purse supplements.

Proposed law retains present law but provides for HBPA's security interest to extend beyond payment to the horsemen's representative for horsemen medical and hospital benefits and provides an exception for horse race distribution on purse supplements from net video draw poker device revenues earned at OTBs. For revenue earned from OTB's, provides that:

- (1) At the Fair Grounds Race Course and Slots, 12.5% of the net video draw poker device revenues are to be used to supplement purses for quarter horse races, up to a maximum of \$1M per state fiscal year of which 25% for each state fiscal year shall be used to satisfy the judgement or settlement in *Soileau v. Churchill Downs La. Horseracing Co.* until a total of \$1M is paid toward the judgement or settlement. Provides that the remainder of the net video draw poker device revenues (87.5%) are to be allocated to thoroughbred horse races.
- (2) At Delta Downs, Evangeline Downs and Louisiana Downs, 30% of the net video draw poker device revenues shall be used to supplement purses for quarter horse races and 70% of the net video draw poker device revenues shall be used to supplement purses for thoroughbred races at that licensed eligible facility.

Effective August 1, 2020.

(Amends R.S. 4:147.1(D) and 214.1(B), R.S. 27:438(A) and (B)(1) - (3) and (5); adds R.S. 4:147.1(E))