

2021 Regular Session

HOUSE BILL NO. 697 (Substitute for House Bill No. 628 by Representative Stefanski)

BY REPRESENTATIVE STEFANSKI

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

GAMING: Provides for sports wagering

1 AN ACT

2 To amend and reenact R.S. 13:4721, R.S. 14:90.5(A) through (C), R.S. 27:3(10), (15), (17),

3 and (19), 15(D) and (E), 29.1(D), 29.2(A), (B), (D), and (E), 29.3(A), 29.4(D), R.S.

4 47:9001, 9002, 9006(B), 9009(B)(1) and (C), 9010(E), 9015(D), and 9029(A)(1) and

5 to enact R.S. 14:90(E) and 90.3(K), R.S. 27:92(D), Part VI of Chapter 10 of Title 27

6 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 27:621 through

7 627, R.S. 39:100.61(D), and Chapter 10 of Title 47 of the Louisiana Revised Statutes

8 of 1950, to be comprised of R.S. 47:9091 through 9105, relative to sports wagering;

9 to provide for definitions; to authorizes sports wagering; to require certain licenses

10 and permits; to require certain fees; to levy certain taxes; to provide relative to the

11 administration of sports wagering gaming; to provide relative to duties and powers

12 of the Louisiana Gaming Control Board; to provide relative to duties and powers of

13 the gaming division in the office of state police; to provide relative to duties and

14 powers of the Louisiana Lottery Corporation; to provide for the collection and

15 disposition of certain monies; to create the Sports Wagering Enforcement Fund; to

16 create the New Opportunities Waiver Fund Developmental Disability Services

17 Subfund; to authorizes electronic sports wagering; to provide for a public records

18 exception; to provide relative to legislative intent; to provide relative to

19 administrative rules; to provide relative to contracts; to provide relative to suitability;

20 to provide relative to sports wagering mechanisms; to provide relative to sports

1 waging winnings and prizes; to provide relative to sports wagering tickets; to
 2 provide relative to state revenues; to provide relative to gambling houses; to provide
 3 relative to gambling; to provide for certain requirements, conditions, and limitations;
 4 to provide for effectiveness; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 13:4721 is hereby amended and reenacted to read as follows:

7 §4721. Gambling houses; definition; declared public nuisances

8 A. For the purposes of this ~~Sub-part~~, Subpart, or for the purposes of any
 9 action or prosecution ~~hereunder~~ in this Section, a gambling house is either:

10 (1) ~~any~~ Any place ~~whatever whatsoever~~ where any game of chance of any
 11 kind or character is played for money, for wagers, or for tokens, and where the
 12 conduct of such place operates, directly or indirectly, to the profit of one or more
 13 individuals and not exclusively to the direct profit of the actual participants in such
 14 ~~game; and,~~

15 (2) ~~any~~ Any place whatsoever where races, athletic contests, ~~and~~ sports, and
 16 games are not actually held and where opportunity is afforded for wagering upon
 17 races, athletic contests, sports, ~~and~~ games of chance.

18 B. All gambling houses as ~~herein~~ defined in this Section are declared to be
 19 public nuisances, and the ~~owner~~ owners thereof, and the ~~agent~~ agents for such ~~owner;~~
 20 owners, or the ~~lessee, sublessee~~ lessees, sublessees, or other occupants thereof are
 21 declared to be guilty of maintaining a public nuisance.

22 C. The provisions of this Subpart shall not apply to any place where a sports
 23 book is being conducted in accordance with Chapter 10 of Title 47 of the Louisiana
 24 Revised Statutes of 1950.

25 Section 2. R.S. 14:90.5(A), (B), and (C) are hereby amended and reenacted and R.S.
 26 14:90(E) and 90.3(K) are hereby enacted to read as follows:

27 §90. Gambling

28 * * *

1 E. Sports wagering shall not be considered gambling for purposes of this
2 Section so long as the wagering is conducted in compliance with Chapter 10 of Title
3 47 of the Louisiana Revised Statutes of 1950.

4 * * *

5 §90.3. Gambling by computer

6 * * *

7 K. Sports wagering shall not be considered gambling by computer for
8 purposes of this Section so long as the wagering is conducted in compliance with
9 Chapter 10 of Title 47 of the Louisiana Revised Statutes of 1950.

10 * * *

11 §90.5. Unlawful playing of gaming devices by persons under the age of twenty-one;
12 underage persons, penalty

13 A. It is unlawful for any person under twenty-one years of age to play casino
14 games, gaming devices, or slot machines or to place a wager on a sports event.

15 B. No person under the age of twenty-one, except an emergency responder
16 acting in his official capacity, shall enter, or be permitted to enter, the designated
17 gaming area of a riverboat, the designated gaming area of the official gaming
18 establishment, or the designated ~~slot machine~~ gaming area of a pari-mutuel wagering
19 facility which offers live horse racing licensed for operation and regulated under the
20 applicable provisions of Chapters 4, 5, and 7 of Title 27 of the Louisiana Revised
21 Statutes of 1950.

22 C.(1) For purposes of this Section, "casino games, gaming devices, or slot
23 machines" means a game or device, as defined in ~~R.S. 27:44(10) or (12), 205(12) or~~
24 ~~(13), or 353(14)~~ R.S. 27:44, 205, or 353 operated on a riverboat, at the official
25 gaming establishment, or at a pari-mutuel wagering facility which offers live horse
26 racing which is licensed for operation and regulated under the provisions of Chapters
27 4, 5, and 7 of Title 27 of the Louisiana Revised Statutes of 1950.

28 (2) For purposes of this Section, "place a wager on a sports event" shall apply
29 to wagers attempted to be or actually placed via a self-service sports wagering

1 mechanism, or though a mobile application as those terms are defined in R.S.
2 47:9002 and operations are regulated under the provisions of Chapter 10 of Title 47
3 of the Louisiana Revised Statutes of 1950.

4 * * *

5 Section 3. R.S. 27:3(10), (15), (17), and (19) , 15(D) and (E), 29.1(D), 29.2(A), (B),
6 (D), and (E), 29.3(A), and 29.4(D) are hereby amended and reenacted and Part VI of Chapter
7 10 of Title 27 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 27:621
8 through 627, are hereby enacted to read as follows:

9 §3. Definitions

10 For the purposes of this Title, the following terms have the following
11 meanings, unless the context clearly indicates otherwise:

12 * * *

13 (10) "Gaming supplier" means any person who supplies, sells or leases, or
14 contracts to sell or lease, gaming devices, equipment, or supplies to a holder of a
15 license as defined in ~~R.S. 27:44(14), R.S. 27:353(5)~~, R.S. 27:44, 353, or 602, or to
16 the casino gaming operator. "Gaming supplier" shall also include any person or
17 entity that supplies geolocation, geofencing, or patron identification services to the
18 holder of a license as defined in R.S. 27:44, 353, or 602, or to the casino gaming
19 operator.

20 * * *

21 (15) "Key gaming employee" or "managerial employee" means an employee,
22 agent, or representative of the casino gaming operator, or of a holder of a license as
23 defined in ~~R.S. 27:44(14), R.S. 27:353(5)~~, R.S. 27:44, 353, or 602, or a permittee
24 whether or not a gaming employee who, in the opinion of the board or division,
25 holds or exercises critical or significant management or operating authority over the
26 casino gaming operator, or of a holder of a license as defined in ~~R.S. 27:44(13), R.S.~~
27 ~~27:353(6)~~, R.S. 27:44, 353, or 602, or a permittee.

28 * * *

1 (17) "Non-key gaming employee" means a person employed in the operation
 2 of a gaming activity and includes employees empowered to make discretionary
 3 decisions that regulate gaming activities, and any individual whose employment
 4 duties require or authorize access to designated gaming areas of a licensee as defined
 5 in ~~R.S. 27:44(14), R.S. 27:353(5)~~, R.S. 27:44, 353, or 602, or the official gaming
 6 establishment, other than non-gaming equipment maintenance personnel, cleaning
 7 personnel, waiters, waitresses, and secretaries.

8 * * *

9 (19) "Non-gaming supplier" means any person who sells, leases, or otherwise
 10 distributes, directly or indirectly, goods or services other than gaming equipment and
 11 supplies to the holder of a license, as defined in ~~R.S. 27:44(14), R.S. 27:353(5)~~, R.S.
 12 27:44, 353, or 602, or the casino gaming operator.

13 * * *

14 §15. Board's authority; responsibilities

15 * * *

16 D. In addition to or in lieu of the revocation or suspension of a license or
 17 permit issued pursuant to the provisions of the Louisiana Riverboat Economic
 18 Development and Gaming Control Act, the Louisiana Economic Development and
 19 Gaming Corporation Act, the Pari-mutuel Live Racing Facility Economic
 20 Redevelopment and Gaming Control Act, the Louisiana Sports Wagering Act, and
 21 this Chapter, the board may impose upon the casino gaming operator or the holder
 22 of a license as defined in R.S. 27:44 ~~or~~, 353, or 602, or a permittee a civil penalty not
 23 to exceed one hundred thousand dollars for each violation of any provision of the
 24 Louisiana Riverboat Economic Development and Gaming Control Act, the Louisiana
 25 Economic Development and Gaming Corporation Act, the Louisiana Pari-mutuel
 26 Live Racing Facility Economic Redevelopment and Gaming Control Act, the
 27 Louisiana Sports Wagering Act, this Chapter, or any rule or regulation of the board.
 28 Payment of the civil penalty shall be a requirement for the retention of any permit,
 29 certificate, or license held by the entity which violated any such provisions. If the

1 licensee contests the imposition of the civil penalty, the penalty shall be imposed
2 only after an adjudicatory hearing is conducted pursuant to R.S. 27:25 and a basis for
3 imposition of the penalty is determined to exist.

4 E. The board by rule may adopt a schedule of penalties for violations of the
5 Louisiana Riverboat Economic Development and Gaming Control Act, the Louisiana
6 Economic Development and Gaming Corporation Act, the Pari-mutuel Live Racing
7 Facility Economic Redevelopment and Gaming Control Act, the Louisiana Sports
8 Wagering Act, this Chapter, or any rule or regulation of the board. Any such rules
9 shall be adopted pursuant to the Administrative Procedure Act and as otherwise
10 provided in this Chapter.

11 * * *

12 §29.1. Manufacturer; permits

13 * * *

14 D. The annual fee for a manufacturer of slot machines, sports wagering
15 mechanisms, and video draw poker devices permit issued under the provisions of this
16 Section is fifteen thousand dollars. This fee is required to be submitted at the time
17 of application and on the anniversary date of the issuance of the permit thereafter.

18 E. The annual fee for a manufacturer of gaming equipment other than slot
19 machines, sports wagering mechanisms, and video draw poker devices permit issued
20 under the provisions of this Section is seven thousand five hundred dollars. This fee
21 is required to be submitted at the time of application and on the anniversary date of
22 the issuance of the permit thereafter.

23 §29.2. Gaming supplier permits

24 A. The board shall issue a gaming supplier permit to suitable persons who
25 supply, sell, lease, or repair, or contract to supply, sell, lease, or repair gaming
26 devices, equipment, and supplies to the holder of a license as defined in ~~R.S.~~
27 ~~27:44(14), R.S. 27:353(5) or~~ R.S. 27:44 or 353, the casino gaming operator, or a
28 sports wagering operator as defined in R.S. 27:602. A person shall not supply, sell,

1 lease, or repair or contract to supply, sell, lease, or repair gaming devices, equipment,
2 and supplies unless they possess a valid gaming supplier permit.

3 B. Gaming devices, supplies, or equipment may not be distributed to the
4 holder of a license as defined in ~~R.S. 27:44(14), R.S. 27:353(5) or a R.S. 27:44 or~~
5 353, the casino gaming operator, a sports wagering operator as defined in R.S.
6 27:602, or supplier unless such devices, equipment, or supplies conform to rules
7 adopted by the board for such purpose.

8 * * *

9 D. A supplier shall furnish to the board a list of any gaming equipment and
10 supplies offered by the supplier for sale or lease in connection with games authorized
11 under this Title. A supplier shall keep books and records for the furnishing of
12 gaming equipment and supplies to gaming operations separate and distinct from any
13 other business that the supplier might operate. A supplier shall file a quarterly return
14 with the board listing all sales and leases. A supplier shall permanently affix its name
15 to all its gaming devices, equipment, and supplies for gaming operations unless
16 otherwise authorized by the board. Any supplier's gaming devices, equipment, or
17 supplies which are used by any person in unauthorized gaming operations shall be
18 forfeited to the board. The holder of a license as defined in ~~R.S. 27:44(14), R.S.~~
19 ~~27:353(5), R.S. 27:44, 353, or 602~~, and the casino gaming operator may own its own
20 gaming devices, equipment, and supplies. Each supplier, the holder of a license as
21 defined in ~~R.S. 27:44(14), R.S. 27:353(5),~~ R.S. 27:44, 353, or 602, and the casino
22 operator shall file an annual report with the board listing its inventories of gaming
23 devices, equipment, and supplies.

24 E.(1) The annual fee for a gaming supplier permit issued under the provisions
25 of this Section is three thousand dollars. This fee is required to be submitted at the
26 time of application and on the anniversary date of the issuance of the permit
27 thereafter.

28 (2) The fee provided for in this Section shall not apply to any suitable
29 business or legal entity that markets, buys, sells, leases, services, or repairs sports

1 wagering mechanisms in this state. The fee for the permit provided for in this Section
2 for such entities shall be provided for in R.S. 27:625.

3 (3) The fee provided for in this Section shall not apply to any suitable
4 business or legal entity that engages in support services for the operation of a sports
5 book on behalf of the licensee. The fee for the permit provided for in this Section for
6 such entities shall be provided for in R.S. 27:624.

7 §29.3. Non-gaming supplier permit

8 A.(1) The division shall issue a non-gaming supplier permit to suitable
9 persons who furnish services or goods and receive compensation or remuneration for
10 such goods or services to the holder of a license as defined in R.S. 27:44 ~~and~~ or 353,
11 or the casino gaming operator, or a sports wagering operator as defined in R.S.
12 27:602. The board shall promulgate rules establishing the threshold amount of goods
13 and services for which a non-gaming supplier permit is required. Such services
14 include but are not limited to industries offering goods or services whether or not
15 directly related to gaming activity, including junket operators and limousine services
16 contracting with the holder of a license as defined in R.S. 27:44 ~~and~~ or 353, or the
17 casino gaming operator, or a sports wagering operator as defined in R.S. 27:602,
18 suppliers of food and nonalcoholic beverages, gaming employee or dealer training
19 schools, garbage handlers, vending machine providers, linen suppliers, or
20 maintenance companies. Any employee or dealer training school, other than
21 employee or training schools conducted by a licensee, or the casino gaming operator,
22 shall be conducted at an institution approved by the Board of Regents or the State
23 Board of Elementary and Secondary Education.

24 (2) Any person who, directly or indirectly, furnishes services or goods to the
25 holder of a license as defined in R.S. 27:44 ~~and~~ or 353, or the casino gaming
26 operator, or a sports wagering operator as defined in R.S. 27:602, regardless of the
27 dollar amount of the goods and services furnished or who has a business association
28 with the holder of a license as defined in R.S. 27:44 ~~and~~ or 353, or the casino
29 operator, or a sports wagering operator as defined in R.S. 27:602, may be required

1 by the board or division, where applicable, to be found suitable or apply for a non-
2 gaming supplier permit. Failure to supply all information required by the board or
3 division, where applicable, may result in a finding of unsuitability or denial of a non-
4 gaming supplier permit.

5 * * *

6 §29.4. Key and non-key gaming employee permit

7 * * *

8 D. The holder of a key or non-key gaming employee permit issued under this
9 Title shall be authorized to work in the capacity for which permitted for the holder
10 of a license as defined in ~~R.S. 27:44(14), R.S. 27:353(5), or R.S. 27:44 or 353~~, the
11 casino gaming operator, or a sports wagering operator as defined in R.S. 27:602.

12 * * *

13 §92. Collection and disposition of fees

14 * * *

15 D. The provisions of this Section shall not apply to any monies collected
16 relative to sports wagering.

17 * * *

18 PART IV.

19 FEES, TAXES, AND COLLECTIONS

20 §621. Definitions

21 For purposes of this Chapter, the following terms shall have the following
22 meanings ascribed to them unless the context clearly indicates otherwise:

23 (1) "Board" means the Louisiana Gaming Control Board, as provided for in
24 R.S. 27:11.

25 (2) "Division" shall have the same meaning as provided for in R.S. 27:3.

26 (3) "License" means a license or authorization to operate a sports book in this
27 state in compliance with the provisions of this Chapter.

28 (4) "Licensee" means any person issued a license by the board.

1 (5) "Mobile application" means an application on a mobile phone or other
2 device through which a player is able to place a wager with an operator on a sports
3 event and receive a credit on the player's sports wagering account.

4 (6) "Net gaming proceeds" means the amount equal to the total gross revenue
5 of all wagers placed by patrons less the total amount of all winnings paid out to
6 patrons and two million five hundred thousand dollars annually directly attributable
7 to promotional play wagers.

8 (7) "Operator" or "sports wagering operator" means the entity that actually
9 books a sports wager. The operator may be:

10 (a) The licensee who manages and operates a sports book itself.

11 (b) The licensee's contracted sports wagering platform provider, in
12 accordance with the scope of that contract, when the licensee chooses to contract the
13 management and operation of all or a portion of its sports book line-of-business with
14 a platform provider.

15 (8) "Permit" has the same meaning as provided for in R.S. 27:3.

16 (9) "Permittee" has the same meaning as provided for in R.S. 27:3.

17 (10) "Person" has the same meaning as provided for in R.S. 27:3.

18 (11) "Sports event" means any professional sport or athletic event, any
19 collegiate sport or athletic event, any Olympic or international sports competition
20 event, or any other special event or competition of relative skill as authorized by the
21 board to be a sports event for purposes of this Chapter. "Sports event" shall not
22 include high school sports, youth events, any international sports events where the
23 majority of the athletes are under the age of eighteen years old, electronic sports,
24 competitive video games, fantasy sports contests as provided in Chapter 6 of this
25 Title, and any event prohibited by law.

26 (12) "Sports wager" or "sports bet" means a sum of money or representation
27 of value risked by a player on an occurrence associated with a sports event for which
28 the outcome is uncertain. The term includes but is not limited to single-game bets,

1 teaser bets, parlay bets, over-under bets, moneyline bets, pools, exchange wagering,
2 in-game wagering, in-play bets, proposition bets, and straight bets.

3 (13) "Sports wagering platform" or "sports book" means an integrated system
4 of hardware, software, or applications, including mobile applications and servers,
5 through which an operator conducts the business of offering for play wagering
6 conducted in accordance with this Chapter on a sports event or on portions of a
7 sports event or on the individual performance or statistics of athletes in a sports event
8 or a combination of sports events, by any system or method of wagering.

9 §622. Sports wagering license fee

10 A. The initial application fee for a sports wagering license shall be two
11 hundred fifty thousand dollars and shall be non-refundable. The initial application
12 fee shall be submitted to the board at the time of application.

13 B. The license fee for a sports wagering license issued pursuant to R.S.
14 27:604, shall be five hundred thousand dollars. The license shall be for a term of
15 five years. The license fee shall be submitted to the board on the anniversary date of
16 the issuance of the license every five years. The first license payment shall be
17 submitted to the board at the time of application.

18 C. The division shall collect all fees imposed or assessed pursuant to the
19 provisions of this Section and deposit the fees into the Sports Wagering Enforcement
20 Fund established in R.S. 27:627.

21 §623. Sports wagering platform provider permit fee

22 A. The initial application fee for a sports wagering platform provider permit
23 shall be one hundred thousand dollars and shall be non-refundable. The initial
24 application fee shall be submitted to the board at the time of application.

25 B. The permit fee for a sports wagering platform provider permit issued
26 pursuant to R.S. 27:605, shall be two hundred fifty thousand dollars. The permit shall
27 be for a term of five years. The permit fee shall be submitted to the board on the
28 anniversary date of the issuance of the permit every five years. The first permit
29 payment shall be submitted to the board at the time of application.

1 C. The division shall collect all fees imposed or assessed pursuant to the
2 provisions of this Section and deposit the fees into the Sports Wagering Enforcement
3 Fund established in R.S. 27:627.

4 §624. Sports wagering service provider permit fee

5 A. The initial application fee for a sports wagering service provider permit
6 shall be ten thousand dollars and shall be non-refundable. The initial application fee
7 shall be submitted to the board at the time of application.

8 B. The permit fee for a sports wagering service provider permit issued
9 pursuant to R.S. 27:29.2, shall be twelve thousand five hundred dollars. The permit
10 shall be for a term of five years. The permit fee shall be submitted to the board on
11 the anniversary date of the issuance of the permit every five years. The first permit
12 payment shall be submitted to the board at the time of application.

13 C. The division shall collect all fees imposed or assessed pursuant to the
14 provisions of this Section and deposit the fees into the Sports Wagering Enforcement
15 Fund established in R.S. 27:627.

16 §625. Sports wagering distributor permit fee

17 A. The initial application fee for a sports wagering distributor permit shall
18 be five thousand dollars and shall be non-refundable. The initial application fee shall
19 be submitted to the board at the time of application.

20 B. The permit fee for a sports wagering distributor permit issued pursuant
21 to R.S. 27:29.2, shall be two thousand five hundred dollars. The permit shall be for
22 a term of five years. The permit fee shall be submitted to the board on the
23 anniversary date of the issuance of the permit every five years. The first permit
24 payment shall be submitted to the board at the time of application.

25 C. The division shall collect all fees imposed or assessed pursuant to the
26 provisions of this Section and deposit the fees into the Sports Wagering Enforcement
27 Fund established in R.S. 27:627.

1 §626. State tax; levy

2 A. There is hereby levied a ten percent tax upon the net gaming proceeds of
3 a licensee or an operator from sports wagering offered to consumers within this state
4 pursuant to this Title at a licensed sports wagering establishment.

5 B. There is hereby levied an eighteen percent tax upon the net gaming
6 proceeds of a licensee or an operator from sports wagering offered to consumers
7 within this state pursuant to this Title electronically through a website or mobile
8 application.

9 C. The division shall collect the taxes imposed pursuant to the provisions of
10 this Section.

11 D. All taxes collected by the division pursuant to this Section, shall be
12 forwarded upon receipt to the state treasurer for immediate deposit into the state
13 treasury. Funds deposited into the treasury shall first be credited to the Bond Security
14 and Redemption Fund in accordance with Article VII, Section 9(B) of the
15 Constitution of Louisiana.

16 E. The provisions of this Section shall not apply to any sports wagering
17 offered in this state by the Louisiana Lottery Corporation pursuant to Title 47.

18 §627. Sports Wagering Enforcement Fund

19 (1) There is hereby created in the state treasury a special fund designated as
20 the "Sports Wagering Enforcement Fund", hereafter referred to as the "fund". After
21 allocation of money to the Bond Security and Redemption Fund as provided in
22 Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit
23 in and credit to the fund monies from license and permit fees collected pursuant to
24 this Part. Monies in the fund shall be invested in the same manner as monies in the
25 state general fund. Interest earned on investment of monies in the fund shall be
26 deposited in and credited to the fund. Unexpended and unencumbered monies in the
27 fund shall remain in the fund. Monies in the fund shall be appropriated, administered,
28 and used solely as provided in this Section.

1 (2) The monies in the fund shall be withdrawn only pursuant to appropriation
2 by the legislature and shall be used solely for the expenses of the Department of
3 Public Safety and Corrections, the Department of Justice, and the Louisiana Gaming
4 Control Board, including regulatory, administrative, investigative, enforcement,
5 legal, and other expenses as may be necessary to carry out the provisions of this
6 Chapter and the rules of the board.

7 * * *

8 Section 4. R.S. 39:100.61(D) is hereby enacted to read as follows:

9 §100.61. New Opportunities Waiver Fund

10 * * *

11 D. There is hereby created within the fund the Developmental Disability
12 Services Subfund, hereinafter referred to as the "subfund". After allocation of
13 money to the Bond Security and Redemption Fund as provided in Article VII,
14 Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit in and credit
15 to the subfund certain monies pursuant to R.S. 47:9105. Monies in the subfund shall
16 be invested by the treasurer in the same manner as monies in the fund. Unexpended
17 and unencumbered monies in the subfund at the end of the fiscal year shall remain
18 in the subfund. The Louisiana Department of Health shall consult with the Louisiana
19 Developmental Disabilities Council to develop a plan for appropriations out of this
20 subfund.

21 Section 5. R.S. 47:9001, 9002, 9006(B), 9009(B) and (C), 9010(E), 9015(D), and
22 9029(A)(1) are hereby amended and reenacted to read and Chapter 10 of Title 47 of the
23 Louisiana Revised Statutes of 1950, comprised of R.S. 47:9091 through 9105, are hereby
24 enacted to read as follows:

25 §9001. Statement of purpose and intent

26 A. The legislature hereby recognizes that the operations of a state lottery are
27 unique activities for state government and that a corporate structure will best enable
28 the lottery to be managed in an entrepreneurial and business-like manner. It is the
29 intent of the legislature that the Louisiana Lottery Corporation shall be accountable

1 to the governor, the legislature, and the people of the state through a system of
2 audits, reports, legislative oversight, and thorough financial disclosure as required
3 by this Subtitle.

4 B. The legislature hereby recognizes that, similar to other states, the
5 Louisiana Lottery Corporation is uniquely positioned to participate in the sports
6 wagering industry based upon its business model, infrastructure, and current
7 relationship with retail establishments. The legislature also recognizes that allowing
8 the state lottery to participate in sports wagering may generate additional state
9 revenue. The Louisiana Lottery Corporation shall operate and administer a sports
10 book which shall be a separate and distinct responsibility and operation from lottery
11 gaming. Any sports wagering offered to consumers in this state pursuant to this
12 Subtitle shall exclusively be through electronic means including through a website,
13 mobile application, or sports wagering mechanism.

14 §9002. Definitions

15 As used in this Subtitle, the following words and phrases shall have the
16 following meanings unless the context clearly requires otherwise:

17 ~~(1) "Corporation" means the Louisiana Lottery Corporation.~~

18 ~~(2) "Lottery" means any game of chance approved by the corporation and~~
19 ~~operated pursuant to this Chapter.~~

20 ~~(3) "Major procurement" means any item, product, or service in the amount~~
21 ~~of one hundred thousand dollars or more, including but not limited to major~~
22 ~~advertising contracts, annuity contracts, prize products, and services unique to the~~
23 ~~Louisiana lottery, but not including materials, supplies, equipment, and services~~
24 ~~common to the ordinary operations of a corporation.~~

25 ~~(4) "Net proceeds" means gross lottery revenues minus amounts paid or~~
26 ~~estimated to be paid as prizes and expenses of operation of the lottery.~~

27 ~~(5) "Person" means any individual, corporation, partnership, unincorporated~~
28 ~~association, or other legal entity.~~

1 ~~(6) "President" means the president of the Louisiana Lottery Corporation,~~
2 ~~who shall also serve as chief executive officer of the corporation.~~

3 ~~(7) "Retailer" means any person with whom the corporation has contracted~~
4 ~~to sell lottery tickets to the public.~~

5 ~~(8) "Security" means the protection of information that would provide an~~
6 ~~unfair advantage to any individual involved in the operation of the lottery, protection~~
7 ~~and preservation of the integrity of lottery games and operations, as well as measures~~
8 ~~taken to prevent crimes against the corporation and its retailers.~~

9 ~~(9) "Vendor" means any person who has entered into a major procurement~~
10 ~~contract with the corporation.~~

11 (1) "Anti-money laundering standards" or "AML" means the requirements
12 and guidelines provided in the federal Bank Secrecy Act of 1970, as amended, and
13 the Anti-Money Laundering Act of 2020, as amended, for the prevention and
14 detection of money laundering and the financing of terrorism.

15 (2) "Applicant" means a person, business, or legal entity who has submitted
16 an application to the corporation seeking a permit or the renewal of a permit.

17 (3) "Application" means the forms and schedules prescribed by the
18 corporation upon which an applicant seeks a permit or the renewal of a permit. An
19 application shall also include any other information or fee required by the
20 corporation to be submitted with an application such as disclosure statements,
21 financial statements, and any type of fee.

22 (4) "Board" shall mean the board of directors of the Louisiana Lottery
23 Corporation.

24 (5) "Corporation" means the Louisiana Lottery Corporation.

25 (6) "Electronic sports wagering" means sports wagering via a sports wagering
26 mechanism on the premises of a permitted retail establishment or through a website
27 or mobile application.

28 (7) "Lottery" means any game of chance approved by the corporation and
29 operated pursuant to this Chapter.

1 (8) "Major procurement" means any item, product, or service in the amount
2 of one hundred thousand dollars or more, including but not limited to major
3 advertising contracts, annuity contracts, prize products, and services unique to the
4 Louisiana lottery, but not including materials, supplies, equipment, and services
5 common to the ordinary operations of a corporation.

6 (9) "Mobile application" means an application on a mobile phone or other
7 device through which a player is able to place a wager with an operator on a sports
8 event and receive a credit on their sports wagering account.

9 (10) "Mobile wagering" means wagering on a sports event through a website
10 or mobile application.

11 (11) Net gaming proceeds" means the amount equal to the total gross revenue
12 of all wagers placed by patrons less the total amount of all winnings paid out to
13 patrons and two million five hundred thousand dollars annually directly attributable
14 to promotional play wagers.

15 (12) "Net proceeds" means gross lottery revenues minus amounts paid or
16 estimated to be paid as prizes and expenses of operation of the lottery.

17 (13) "Operator" or "sports wagering operator" means the entity that actually
18 books a sports wager. The operator may be:

19 (a) The corporation who manages and operates a sports book itself.

20 (b) The sports wagering platform provider contracted with the corporation to
21 manage and operate its sports book line-of-business.

22 (14) "Patron" or "player" means an individual who places a wager on a sports
23 event.

24 (15) "Permit" means any permit or authorization, or application therefor,
25 issued pursuant to the provisions of this Subtitle.

26 (16) "Permittee" means any person who is issued a permit pursuant to the
27 provisions of this Subtitle.

28 (17) "Person" means any individual, corporation, partnership, unincorporated
29 association, or other legal entity.

1 (18) "President" means the president of the Louisiana Lottery Corporation,
2 who shall also serve as chief executive officer of the corporation.

3 (19)"Retail establishment" means a retail business that has a contract with an
4 operator and is permitted by the corporation to host a sports wagering mechanism.

5 (20)"Retailer" means any person with whom the corporation has contracted
6 to sell lottery tickets to the public.

7 (21) "Security" means the protection of information that would provide an
8 unfair advantage to any individual involved in the operation of the lottery, protection,
9 and preservation of the integrity of lottery games and operations, as well as measures
10 taken to prevent crimes against the corporation and its retailers.

11 (22) "Sports event" means any professional sport or athletic event, any
12 collegiate sport or athletic event, any Olympic or international sports competition
13 event, or any other special event or competition of relative skill as authorized by the
14 corporation to be a sports event for purposes of this Chapter. "Sports event" shall not
15 include high school sports, youth events, any international sports events where the
16 majority of the athletes are under the age of eighteen years old, electronic sports,
17 competitive video games, fantasy sports contests as provided in Chapter 6 of Title
18 27 of the Louisiana Revised Statutes of 1950, and any event prohibited by law.

19 (23) "Sports wager" or "sports bet" means a sum of money or representation
20 of value risked by a player on an occurrence associated with a sports event for which
21 the outcome is uncertain. The term includes but is not limited to single-game bets,
22 teaser bets, parlay bets, over-under bets, moneyline bets, pools, exchange wagering,
23 in-game wagering, in-play bets, proposition bets, and straight bets.

24 (24) "Sports wagering account" means an electronic financial record
25 established with an operator for an individual patron in which the patron may deposit
26 and withdraw funds for sports wagering and other authorized purchases and to which
27 the operator may credit winnings or other amounts due to that patron or authorized
28 by that patron.

1 (25) "Sports wagering mechanism" or "kiosk" means a corporation approved
2 self-service mechanical, electrical, or computerized terminal, device, apparatus, or
3 piece of equipment that is directly tied to the central system of the corporation's
4 approved sports wagering platform provider which allows a patron to place a sports
5 wager on premises of a permitted retail establishment. "Sports wagering mechanism"
6 does not include a personal computer, mobile phone, or other device owned and used
7 by a player to wager on a sports event.

8 (26) "Sports wagering platform" or "sports book" means an integrated system
9 of hardware, software, or applications, including mobile applications and servers,
10 through which an operator conducts the business of offering for play wagering
11 conducted in accordance with this Subtitle on a sports event or on portions of a
12 sports event or on the individual performance or statistics of athletes in a sports event
13 or a combination of sports events, by any system or method of wagering.

14 (27) "Sports wagering platform provider" means a suitable person that holds
15 a permit from the corporation to engage in the operation of a sports book on behalf
16 of the corporation.

17 (28) "Vendor" means any person who has entered into a major procurement
18 contract with the corporation.

19 * * *

20 §9006. Records of corporation deemed open; exceptions

21 * * *

22 B.(1) Records pertaining to the security of lottery operations, whether
23 current or proposed, the security director, and the security division of the corporation
24 shall be deemed to be records containing security procedures, investigative
25 techniques, or internal security information for purposes of R.S. 44:3(A)(3).

26 (2) Notwithstanding any provision to the contrary, sports wagering account
27 records on individual players shall not be open to public inspection and shall be
28 deemed records collected or obtained for threat or vulnerability assessments in the

1 prevention of terrorist-related activity or internal security purposes for purposes of
2 R.S. 44:3(A)(3).

3 * * *

4 §9009. Conduct and administration of lottery games; powers and duties of
5 corporation; authorized contracts

6 * * *

7 B. The corporation shall:

8 (1) Supervise and administer the lottery and sports wagering in accordance
9 with the provisions of this Subtitle and the administrative regulations adopted by the
10 board.

11 * * *

12 C. There shall be no liability on the part of and no cause of action shall arise
13 against the corporation, its governing board, staff, agents, vendors, or employees,
14 arising out of or in connection with the issuance, failure to issue, or delivery of a
15 lottery or sports wagering ticket.

16 §9010. Powers and obligations of corporation's president; residence in Louisiana;
17 ongoing study authorized

18 * * *

19 E.(1) The president shall require bond from corporate employees with access
20 to corporate funds or lottery funds, in such an amount as provided in the
21 administrative regulations of the board.

22 (2) The president shall require a bond from employees with access to sports
23 wagering accounts, in an amount as provided by the administrative rules of the
24 corporation.

25 * * *

26 §9015. Personnel program for employees; conflict of interest provisions;
27 employment of specified persons by corporation prohibited

28 * * *

1 D. No officer or employee of the corporation who leaves the employ of the
2 corporation may represent any vendor ~~or~~, lottery retailer, sports wagering platform
3 provider, sports wagering service provider, sports wagering distributor, or retail
4 establishment before the corporation for a period of two years following termination
5 of employment with the corporation.

6 * * *

7 §9029. Deposit of revenues; expenditures and investments authorized; transfer of
8 revenues to state treasury; dedication and use of proceeds; corporation
9 operating account; audit of corporation books and records; audits

10 A.(1) All money received by the corporation from the sale of lottery tickets
11 and all other sources except for monies from sports wagering operations authorized
12 pursuant to this Subtitle, shall be deposited into a corporate operating account. Such
13 account shall be established in a fiscal agent or depository as defined in R.S. 49:319
14 and collateralized in the manner provided by R.S. 49:321 and 49:322. The
15 corporation may use all money in the corporate operating account for the purposes
16 of paying prizes and the necessary expenses of the corporation and dividends to the
17 state. The corporation shall estimate and allocate the amount to be paid by the
18 corporation to prize winners.

19 * * *

20 CHAPTER 10. LOUISIANA LOTTERY
21 CORPORATION SPORTS WAGERING

22 §9091. Conduct and administration of sports wagering; powers and duties of
23 corporation; applicability authorizes contracts

24 A. Any permit obtained or issued pursuant to the provisions of this Chapter
25 is expressly declared by the legislature to be a pure and absolute revokable privilege
26 and not a right, property or otherwise, under the constitution of the United States or
27 of the state of Louisiana. Further, the legislature declares that no holder of any
28 permit acquires any vested interest or right therein or thereunder.

1 B. The corporation shall operate a sports book itself or contract with a sports
2 wagering platform provider for the operation of a sports book. The sports book
3 operated by or on behalf of the corporation shall be a separate and distinct
4 responsibility and operation from lottery gaming. Any sports wagering offered to
5 consumers in this state pursuant to the provisions of this Subtitle, shall be through
6 the use of a sports wagering mechanism, website, or mobile application.

7 C. The corporation shall, in accordance with the Administrative Procedure
8 Act, promulgate rules, forms, and procedures necessary to implement, administer,
9 and regulate sports wagering authorized pursuant to this Subtitle. The rules shall
10 include:

11 (1) Qualifications, standards, and procedures for permitting sports wagering
12 platform providers, sports wagering service providers, distributors, manufacturers,
13 vendors, suppliers, personnel, and retail establishments pursuant to this Subtitle.

14 (2) Standards and procedures for renewing, suspending, and revoking
15 permits.

16 (3) Guidelines for the acceptance of sports wagers.

17 (4) The maximum number and amount of wagers which may be accepted
18 by a sports wagering mechanism from any one patron on any one event.

19 (5) Prohibitions on unilaterally rescinding wagers.

20 (6) The type of wagering tickets used, information required to be printed on
21 the ticket, and methods for issuing tickets.

22 (7) The types of records required to be kept and the length of time records
23 shall be retained.

24 (8) Requirements of sports wagering platform providers, sports wagering
25 service providers, distributors, manufacturers, vendors, suppliers, personnel, and
26 retail establishments to comply with AML standards and practices.

27 (9) Standards for the use of credit and checks by players and other
28 protections for players.

1 (10) Internal controls for all aspects of electronic wagering, including
2 procedures for system integrity, system security, operations, accounting, and
3 reporting of problem gamblers.

4 (11) Establish standards and a procedure for approval of retail establishment
5 permits to host sports wagering mechanisms.

6 D. Chapters 6, 7, and 8 of this Subtitle shall apply to all sports wagering
7 conducted pursuant to this Chapter.

8 §9092. Reporting

9 The corporation shall produce an annual report and distribute the report to the
10 legislature. The report shall include the impact of sports wagering on sports events,
11 retail establishments, problem gamblers, and on the gambling addiction in Louisiana.
12 The report shall be prepared by a private organization or entity with expertise in
13 servicing the needs of persons with gambling addictions.

14 §9093. Permitting; other requirements

15 A. No person, business, or legal entity shall operate a sports book on behalf
16 of the corporation without first being permitted in accordance with this Subtitle. To
17 conduct business with the corporation related to sports wagering authorized pursuant
18 to this Subtitle, all sports wagering service providers, distributors, manufacturers,
19 vendors, suppliers, personnel, or retail establishments shall be permitted in
20 accordance with the Subtitle.

21 B. All sports wagering platform providers, sports wagering service providers,
22 distributors, manufacturers, vendors, suppliers, personnel, or retail establishments
23 requesting a permit pursuant to this Chapter shall only be permitted by the
24 corporation if the applicant meets the suitability standards provided for in R.S.
25 47:9094.

26 §9094. Suitability

27 A. No person shall be eligible to obtain a permit, pursuant to this Subtitle
28 unless the applicant has demonstrated by clear and convincing evidence to

1 corporation that he is suitable. For the purposes of this Subtitle, "suitable" means the
2 applicant or permittee is:

3 (1) A person of good character, honesty, and integrity.

4 (2) A person whose prior activities, criminal record, if any, reputation,
5 habits, and associations do not pose a threat to the public interest of this state or to
6 the effective regulation and control of gaming, or create or enhance the dangers of
7 unsuitable, unfair, or illegal practices, methods, and activities in the conduct of
8 gaming or carrying on of the business and financial arrangements incidental thereto.

9 (3) Capable of and likely to conduct the activities for which the applicant,
10 or permittee is approved or permitted pursuant to the provisions of this Subtitle.

11 (4) Not disqualified pursuant to the provisions of Subsection B of this
12 Section.

13 B. The corporation shall not grant approval or a permit pursuant to the
14 provisions of this Subtitle to any person who is disqualified on the basis of the
15 following criteria:

16 (1) The conviction or a plea of guilty or nolo contendere by the applicant or
17 any person required to be suitable under the provisions of this Subtitle for any of the
18 following:

19 (a) Any offense punishable by imprisonment of more than one year.

20 (b) Theft or attempted theft, illegal possession of stolen things, or any
21 offense or attempt involving the misappropriation of property or funds.

22 (c) Any offense involving fraud or attempted fraud, false statements or
23 declarations.

24 (d) Gambling as defined by the laws or ordinances of any municipality, any
25 parish or county, any state, or of the United States.

26 (e) A crime of violence as defined in R.S. 14:2(B).

27 (2) There is a current prosecution or pending charge against the person in
28 any jurisdiction for any offense listed in Paragraph (1) of this Subsection.

1 (3) The person is not current in filing all applicable tax returns and in the
2 payment of all taxes, penalties, and interest owed to the state of Louisiana or any
3 political subdivision of Louisiana, excluding items under formal appeal.

4 (4) The failure to provide information and documentation to reveal any fact
5 material to a suitability determination, or the supplying of information which is
6 untrue or misleading as to a material fact pertaining to the suitability criteria.

7 C.(1) In the awarding a permit pursuant to the provisions of this Subtitle, a
8 conviction or plea of guilty or nolo contendere by the applicant shall not constitute
9 an automatic disqualification as otherwise required pursuant to the provisions of
10 Subparagraphs (a) through (d) of Paragraph (1) of Subsection B of this Section if:

11 (a) Ten or more years has elapsed between the date of application and the
12 successful completion or service of any sentence, deferred adjudication, or period of
13 probation or parole; or

14 (b) Five or more years has elapsed between the date of application and the
15 successful completion of any sentence, deferred adjudication, or period of probation
16 or parole and the conviction for an offense defined in R.S. 47:9094(B)(1)(b) was a
17 misdemeanor offense.

18 (2) The provisions of Paragraph (1) of this Subsection shall not apply to any
19 person convicted of a crime of violence as defined in R.S. 14:2(B).

20 (3) Notwithstanding any provision of law to the contrary, the corporation
21 may consider the seriousness and circumstances of any offense, arrest, or conviction
22 in determining suitability in accordance with Subsection A of this Section.

23 D. An applicant who is not disqualified as a result of Subsection B of this
24 Section shall be required to demonstrate to the corporation that he otherwise meets
25 the remaining requirements for suitability, particularly those contained in Paragraphs
26 (A)(1) through (3) of this Section. Evidence of, or relating to, an arrest, summons,
27 charge, or indictment of an applicant, or the dismissal thereof, may be considered by
28 the corporation even if the arrest, summons, charge, or indictment results in
29 acquittal, deferred adjudication, probation, parole, or pardon.

1 E. A person who has been found unsuitable or whose permit has been
2 revoked, in this state or any other jurisdiction, may not apply for a permit or a
3 finding of suitability for five years from the date there was a finding of unsuitability,
4 or the permit was revoked, unless the corporation allows the application for good
5 cause shown. The corporation shall promulgate rules necessary to carry out the
6 provisions of this Section.

7 F. All permittees and other persons found suitable by the corporation shall
8 maintain suitability throughout the term of the permit. In the event of a current
9 prosecution of an offense as provided in Subsection (B)(2) of this Section, the
10 corporation shall have the discretion to defer a determination on a person's
11 continuing suitability pending the outcome of the proceedings provided that if a
12 decision is deferred pending such outcome the corporation may take such action as
13 is necessary to protect the public trust, including the suspension of any permit.

14 G. All permittees and any other persons required to be found suitable shall
15 have a continuing duty to inform the corporation of any possible violation of this
16 Subtitle and of any rules adopted by the corporation. No person who so informs the
17 corporation of a violation or possible violation shall be discriminated against by the
18 applicant or permittee because of supplying such information.

19 H.(1)(a) Any person who has or controls directly or indirectly five percent
20 or more ownership, income, or profit or economic interest in an entity which has or
21 applies for a permit pursuant to the provisions of this Subtitle, or who receives five
22 percent or more revenue interest in the form of a commission, finder's fee, loan
23 repayment, or any other business expense related to the gaming operation, or who
24 has the ability or capacity to exercise significant influence over a permittee or other
25 person required to be found suitable pursuant to the provisions of this Subtitle, shall
26 meet all suitability requirements and qualifications pursuant to the provisions of this
27 Subtitle.

28 (b) In determining whether a person has significant influence for purposes
29 of this Section, the corporation may consider but is not limited to the following:

1 management and decision-making authority; operational control; financial
2 relationship; receipt of gaming revenue or proceeds; financial indebtedness; and
3 gaming related associations.

4 (2)(a) A lessor of immovable property forming any part of the complex of
5 a sports wagering operation pursuant to this Subtitle is required to submit to
6 suitability.

7 (b) Notwithstanding anything contained in this Chapter to the contrary, the
8 obligations to the corporation of the real estate lessor of a permittee who receives
9 less than two percent of the net gaming proceeds of a permittee and who is not
10 involved in the day-to-day operations of the permittee shall be to provide such
11 financial information, documentation, and necessary release forms for the
12 corporation to make a determination that no person who fails to meet suitability
13 requirements is receiving any funds received by the lessor from the permittee, or is
14 participating in the management of the affairs or business operations of the lessor.

15 I. If the corporation finds that an individual owner or holder of a security of
16 a permittee, or of a holding or intermediary company of a permittee, or any person
17 or persons with an economic interest in a permittee, or a director, partner, officer, or
18 managerial employee is not suitable, and if as a result, the permittee is no longer
19 qualified to continue as a permittee the corporation shall propose action necessary
20 to protect the public interest, including the suspension or revocation of the permit.
21 The corporation may also issue under penalty of revocation or suspension of a
22 permit, a condition of disqualification naming the person or persons and declaring
23 that such person or persons may not:

24 (1) Receive dividends or interest on securities of a person, or a holding or
25 intermediary company of a person, holding an approval or permit.

26 (2) Exercise directly, or through a trustee or nominee, a right conferred by
27 securities of a person, or a holding or intermediary company of a person, holding an
28 approval or permit, issued pursuant to the provisions of this Subtitle.

1 (3) Receive remuneration or other economic benefit from any person, or a
2 holding or intermediary company of a person, holding an approval or permit issued
3 pursuant to this Subtitle.

4 (4) Exercise significant influence over activities of a person, or a holding or
5 intermediary company of a person, holding a license, casino operating contract,
6 permit, or other approval issued pursuant to the provisions of this Subtitle.

7 (5) Continue owning or holding a security of a person, or a holding or
8 intermediary company of a person, holding an approval or permit issued pursuant to
9 the provisions of this Subtitle or remain as a manager, officer, director, or partner of
10 a permittee.

11 J. In the awarding of an approval or permit pursuant to the provisions of this
12 Subtitle, the corporation may consider that the person is not current in filing all
13 applicable tax returns and in the payment of all taxes, penalties, and interest owed
14 the Internal Revenue Service, excluding items under formal appeal.

15 K. In determining the suitability of an application, the corporation may
16 request from an applicant, and consider any of the following:

17 (1) Whether the applicant has adequate capital, financial ability, and means
18 to develop, construct, operate, and maintain infrastructure to support sports wagering
19 activities and operations in compliance with this Chapter and any administrative
20 rules promulgated by the corporation.

21 (2) Whether the applicant has the financial ability to purchase and maintain
22 adequate liability and casualty insurance and to provide an adequate surety bond.

23 (3) Whether the applicant has adequate capital and the financial ability to
24 responsibly pay its secured and unsecured debts in accordance with its financing
25 agreements and other contractual obligations.

26 (4) Whether the applicant has a history of material noncompliance with
27 licensing or permitting requirements or any other regulatory requirements in
28 Louisiana or in any other jurisdiction, where the noncompliance resulted in
29 enforcement action by the person with jurisdiction over the applicant.

1 (5) Whether the applicant has filed, or had filed against it, a proceeding for
2 bankruptcy or has ever been involved in any formal process to adjust, defer, suspend,
3 or otherwise negotiate the payment of any debt.

4 (6) Whether or not at the time of the application, the applicant is a defendant
5 in litigation involving the integrity of its business practices.

6 §9095. Sports wagering platform provider; permit; fee

7 A. The corporation may issue a sports wagering platform provider permit to
8 suitable persons to contract with the corporation to manage or operate the
9 corporation's sports book line-of-business. No person shall manage or operate the
10 corporation's sports book without a valid permit.

11 B. The corporation shall provide by rule for the standards and requirements
12 of any sports wagering platform. The rules shall specify technical requirements as
13 well as operational requirements.

14 C. Any contract between the corporation and a sports wagering platform
15 provider shall provide for access to the corporation of any information maintained
16 by the platform provider for verification of compliance with this Chapter.

17 D. A sports wagering platform provider shall use no more than one sports
18 wagering platform to offer, conduct, or operate a sports book on behalf of the
19 corporation.

20 E. A sports wagering platform provider shall keep books and records for the
21 management and operation of sports wagering as authorized by this Chapter and for
22 services for which it is contracted by the corporation. The keeping of books and
23 records shall be separate and distinct from any other business the sports wagering
24 platform provider might operate. A sports wagering platform provider shall file
25 quarterly returns with the corporation listing all of its contracts and services related
26 to sports wagering authorized under this Subtitle.

27 F. All servers necessary for the placement or resolution of wagers, other than
28 backup servers, shall be physically located in Louisiana.

1 G. Any sports wagering platform utilized for electronic wagering shall have
2 a component of its design to reasonably verify that the person attempting to place the
3 wager is at least twenty-one years of age, physically located in the state, and not
4 physically located in a parish that has not approved a proposition to authorize sports
5 wagering at the time the wager is initiated or placed.

6 H. A sports wagering platform provider shall be responsible for the conduct
7 of any sports wagering service providers with whom it contracts.

8 I.(1) The initial application fee for a sports wagering platform provider
9 permit shall be one hundred thousand dollars and shall be non-refundable. The initial
10 application fee shall be submitted to the corporation at the time of application.

11 (2) The permit fee for a sports wagering platform provider permit issued
12 pursuant to this Section shall be two hundred fifty thousand dollars. The permit shall
13 be for a term of five years. The permit fee shall be submitted to the corporation on
14 the anniversary date of the issuance of the permit every five years.

15 (3) The corporation shall collect all fees imposed or assessed pursuant to the
16 provisions of this Section and deposit the monies into the Louisiana Lottery Proceeds
17 Fund provided for in R.S. 47:9029(B).

18 J. The provider of a sports wagering platform shall provide the corporation
19 with a readily available point of contact to ensure compliance with the requirements
20 of this Chapter.

21 §9096. Sports wagering service providers; permit; fee

22 A. The corporation shall issue a sports wagering service provider permit to
23 suitable persons which contract with an operator to provide support services for an
24 operator's sports book. A person shall not provide support services to the operator
25 without a valid permit.

26 B. Any contract between the corporation and a sports wagering service
27 provider shall provide for access to the corporation of any information maintained
28 by the platform provider for verification of compliance with this Chapter.

1 C. A sports wagering service provider shall keep books and records for the
2 management of sports wagering as authorized by this Chapter and for services for
3 which it is contracted by the operator. The keeping of books and records shall be
4 separate and distinct from any other business the sports wagering service provider
5 might operate. A sports wagering service provider shall file quarterly returns with
6 the corporation listing all of its contracts and services related to sports wagering
7 authorized under this Subtitle.

8 D. The initial application fee for a sports wagering service provider permit
9 shall be ten thousand dollars and shall be non-refundable. The initial application fee
10 shall be submitted to the corporation at the time of application.

11 E. The permit fee for a sports wagering service provider permit issued
12 pursuant to this Section shall be twelve thousand five hundred dollars. The permit
13 shall be for a term of five years. The permit fee shall be submitted to the board on
14 the anniversary date of the issuance of the permit every five years. The first permit
15 payment shall be submitted to the corporation at the time of application.

16 F. The corporation shall collect all fees imposed or assessed pursuant to the
17 provisions of this Section and deposit the monies into the Louisiana Lottery Proceeds
18 Fund provided for in R.S. 47:9029(B).

19 §9097. Sports wagering distributor; permit; fees

20 A. The corporation may issue a sports wagering distributor permit to any
21 suitable business or legal entity that markets, buys, sells, leases, services, or repairs
22 sports wagering mechanisms in this state. A person shall market, buy, sell, lease,
23 service, or repair a sports wagering mechanism without a valid permit.

24 B. Any contract between the corporation and a sports wagering distributor
25 shall provide for access to the corporation of any information maintained by the
26 distributor for verification of compliance with this Chapter.

27 C. The initial application fee for a sports wagering distributor permit shall
28 be five thousand dollars and shall be non-refundable. The initial application fee shall
29 be submitted to the corporation at the time of application.

1 D. The permit fee for a sports wagering service provider permit issued
2 pursuant to this Section shall be two thousand five hundred dollars. The permit shall
3 be for a term of five years. The permit fee shall be submitted to the board on the
4 anniversary date of the issuance of the permit every five years. The first permit
5 payment shall be submitted to the corporation at the time of application.

6 E. The corporation shall collect all fees imposed or assessed pursuant to the
7 provisions of this Section and deposit the monies into the Louisiana Lottery Proceeds
8 Fund provided for in R.S. 47:9029(B).
9 §9098. Retail establishments; permit; fees

10 A. The corporation may issue a retail establishment permit to suitable persons
11 which contract with an operator to host sports wagering mechanisms. A retail
12 establishment shall not host a sports wagering mechanism without a valid permit.

13 B. For purposes of this Chapter retail establishment shall include:

14 (1) An establishment that has a Class A-General retail permit or a Class A-
15 Restaurant permit as defined in Part II of Chapter 1 or Part II of Chapter 2 of Title
16 26 of the Louisiana Revised Statutes of 1950, for the sale of alcoholic beverages for
17 on-premises.

18 (2) Any business or entity licensed or permitted pursuant to Chapter 5 of this
19 Subtitle.

20 C. The initial application fee for a sports wagering retail establishment permit
21 shall be one thousand dollars and shall be non-refundable. The initial application fee
22 shall be submitted to the corporation at the time of application.

23 D. The permit fee for a sports wagering distributor permit issued pursuant
24 to this Section, shall be one hundred dollars. The permit shall be for a term of one
25 year. The permit fee shall be submitted to the corporation on the anniversary date of
26 the issuance of the permit every year. The first permit payment shall be submitted
27 to the corporation at the time of application.

1 E. The corporation shall collect all fees imposed or assessed pursuant to the
2 provisions of this Section and deposit the monies into the Louisiana Lottery Proceeds
3 Fund provided for in R.S. 47:9029(B).

4 §9099. Wagering; limitations

5 A.(1) To place a sports wager with an operator, the operator shall confirm
6 and a player shall be all of the following:

7 (a) Twenty-one years of age or older.

8 (b) Physically located in a parish that has approved a proposition authorizing
9 sports wagering at the time the wager is initiated or placed.

10 (c) Have a sports wagering account established with the operator if the player
11 is attempting to place a sports wager through a website or mobile application.

12 (d) Not be prohibited from wagering with the corporation by law, rule,
13 policy of the corporation, self-exclusion, or pursuant to R.S. 27:27.1.

14 B.(1) The operator shall not knowingly accept wagers from a person who is
15 an athlete, coach, referee, or other official or staff of a participant or team that is
16 participating in the sports event on which the person is attempting to place the wager.

17 (2) The operator shall not knowingly accept wagers from a person who is a
18 director, officer, owner, or employee of the operator or any relative or other person
19 living in the same household as a director, officer, owner, or employee of the
20 operator.

21 C. No sports wagers may be accepted or paid by any operator on any of the
22 following:

23 (1) On any sport or athletic event not authorized by law.

24 (2) On any sport or athletic event which the operator knows or reasonably
25 should know is being placed by or on behalf of an official, owner, coach, or staff of
26 a participant or team that participates in that event.

27 (3) A single act in a team event solely in the control of one participant acting
28 independently.

1 (4) On the occurrence of injuries or penalties, or the outcome of an athlete's
2 disciplinary rulings, or replay reviews.

3 D. Any operator or permittee shall immediately report to the corporation on
4 the following activities:

5 (1) Any criminal or disciplinary proceedings commenced against any
6 operator or its employees, in connection with the operations of the sports book.

7 (2) Any abnormal wagering activity or patterns that may indicate a concern
8 about the integrity of a sports event.

9 (3) Any other conduct with the potential to corrupt a wagering outcome of
10 a sports event for purposes of financial gain, including but not limited to match
11 fixing.

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

15 E. Operators shall establish and display the odds at which wagers may be
16 placed on sports events. Operators shall not accept a wager via a sports wagering
17 mechanism, or through a website or mobile application unless the wagering
18 proposition is posted by electronic or manual means.

19 F. Operators shall maintain records of sports wagering activities and
20 operations and follow AML practices in day-to-day operations of its business.

21 §9100. Electronic wagering

22 A. Electronic wagering may be conducted only to the extent that it is
23 conducted in accordance with this Subtitle and in accordance with the rules
24 promulgated by the corporation.

25 B. The corporation may accept wagers made electronically using a sports
26 wagering mechanism located on the premises of a permitted retail establishment or
27 through a website or mobile application.

1 §9101. Sports wagering mechanism

2 A. (1) A player may place a wager via a sports wagering mechanism with
3 cash or utilizing the player's established sports wagering account.

4 (2) A sports wagering mechanism may be utilized by a player to make a
5 deposit in their sports wagering account.

6 B. Sports wagering mechanisms shall only be located in areas where
7 accessibility is limited to patrons twenty-one years of age or older and have been
8 permitted by the corporation.

9 C. Sports wagering mechanisms shall be branded as the operator.

10 D. Any sports wager placed with cash via a sports wagering mechanism shall
11 be evidenced by a ticket indicating the name of the operator, the sports event on
12 which the wager was placed, the amount of cash wagered, the type of bet and odds
13 if applicable, the date of the event, and any other information required by the
14 corporation.

15 E.(1) No sports wagering mechanism shall be utilized by a patron to collect
16 on a winning ticket. Wagers placed via a sports wagering mechanism through a
17 player's established sports wagering account shall be settled through the player's
18 wagering account.

19 (2) A patron with a winning ticket shall redeem the ticket at an establishment
20 designated by the corporation within one hundred eighty days of the date of the event
21 pursuant to R.S. 47:9102.

22 F. Each sports wagering mechanism shall:

23 (1) Not have any device or program that will alter the reading of the values
24 or amounts of play to reflect values or amounts other than actually played or any
25 switches, jumpers, wire posts, or any other means of manipulation that could affect
26 the operation or outcome of a wager.

27 (2) Not have any device, switch, program, or function that can alter the
28 readings of the actual amounts or values relating to any function or occurrence of the
29 mechanism.

1 (3) Have separate secure areas with locking doors for the game logic board
2 and software, the cash compartment, and the mechanical meters as required by the
3 rules of the corporation. These areas must be locking and separated. Access to one
4 from the other shall not be allowed at any time.

5 (4) Not have any functions or parameters adjustable by or through any
6 separate video display or input codes, except for the adjustment of features that are
7 wholly cosmetic.

8 (5) Have a circuit-interrupting device, method, or capability which will
9 disable the machine if the corporation approved program is accessed or altered.

10 (6) Have a serial number or other identification number permanently affixed
11 to the mechanism by the manufacturer.

12 G. Each sports wagering mechanism shall be linked by telecommunication
13 to a central computer for purposes of polling or reading mechanism activities and for
14 central computer remote shutdown of mechanism operations. If the central computer
15 system fails as a result of a malfunction or catastrophic event, the mechanism may
16 remain in operation until the central computer system is restored.

17 H. The corporation may provide for additional specifications for mechanisms
18 to be approved and authorized pursuant to the provisions of this Chapter as it deems
19 necessary to maintain the integrity of sports wagering mechanisms and operations.

20 §9102. Online and mobile wagering

21 Wagering through a website or mobile application shall be subject to the
22 following requirements:

23 A.(1) A patron shall establish a sports wagering account with the operator
24 before the operator accepts any sports wager through a website or mobile application
25 from the patron. The operator shall also complete an initial verification of the
26 account prior to accepting sports wagers.

27 (2) An account may be established with a line of credit or as an advance
28 deposit wagering account.

1 B. No operator shall accept a sports wager through a website or mobile
2 application from the public or any person who does not have an established account
3 with the corporation.

4 C. No wagers shall be placed when the player is physically located out of
5 state or in a parish that has not approved a proposition authorizing sports wagering.
6 An operator shall maintain geofencing and geolocation services.

7 §9103. Prizes; payment of prizes

8 A.(1) Winning wagers that were placed via a sports wagering mechanism
9 with cash and are evidenced by a ticket receipt shall be redeemed by a player within
10 one hundred eighty days from the time of the event. The corporation shall pay tickets
11 upon presentation after performing validation procedures.

12 (2) Winning wagers placed using a sports wagering account shall be credited
13 by the operator to the patron's account within one day from the time of the event.

14 B. The operator's obligation to pay winning tickets shall expire after one
15 hundred eighty days from the date of the event if not presented for payment.
16 Additionally, if the ticket fails to be presented for payment within the one hundred
17 and eighty day period, the ticket holder waives any right to enforce payment of the
18 ticket.

19 C. If the proceeds of any sports wagering prize issued pursuant to this
20 Subtitle are five hundred dollars or more, the prize shall be subject to Louisiana
21 state income tax. Any attachments, garnishments, or executions authorized and
22 issued pursuant to law shall also be withheld if timely served upon the process agent
23 of the corporation.

24 D. The corporation shall adopt rules to establish a system of verifying the
25 validity of tickets claimed to win prizes and to effect payment of such prizes except
26 that:

27 (1) No prize, nor any portion of a prize, nor any right of any person to a prize
28 awarded shall be assignable. Any prize, or portion thereof, remaining unpaid at the
29 death of a prizewinner shall be paid to the estate of the deceased prizewinner or to

1 the trustee of a trust established by the deceased prizewinner as settlor, if a copy of
2 the trust document or instrument has been filed with the corporation, along with a
3 notarized letter of direction from the settlor, and no written notice of revocation has
4 been received by the corporation prior to the settlor's death. Following a settlor's
5 death and prior to any payment to such a trustee, the corporation shall obtain from
6 the trustee and each trust beneficiary a written agreement to indemnify and hold the
7 corporation harmless with respect to any claims that may be asserted against the
8 corporation arising from payment to or through the trust. Notwithstanding any other
9 provisions of this Subtitle, any person, pursuant to an appropriate judicial order, shall
10 be paid the prize to which a winner is entitled.

11 (2) A person twenty-one years of age or older may gift a winning sports
12 wagering ticket to a person of any age. If the donee of a winning ticket is under the
13 age of twenty-one years, the corporation shall direct payment to a member of the
14 person's family who is twenty-one years of age or older, or to the legal representative
15 of the person on behalf of such person. The person named as custodian shall have the
16 same powers and duties as prescribed for a custodian pursuant to the uniform
17 Transfers to Minors Act.

18 (3) No prize shall be paid arising from claimed tickets that are stolen,
19 counterfeit, altered, fraudulent, unissued, produced or issued in error, unreadable, not
20 received, unclaimed or not recorded by the corporation within applicable deadlines.

21 (4) No particular prize shall be paid more than once, and in the event of a
22 binding determination that more than one claimant is entitled to a particular prize,
23 the sole remedy of such claimants is the award to each of them an equal share in the
24 prize.

25 E. No prize shall be paid upon a ticket purchased or sold in violation of this
26 Subtitle.

27 F. The corporation is discharged of all liability upon payment of a prize.

28 §9104. Withholding of lottery prizes; child support arrearages; rules

1 The corporation shall promulgate rules providing for the withholding of
2 prizes resulting from sports wagering authorized pursuant to this Section, of persons
3 who have outstanding child support arrearages as reported to the corporation,
4 beginning at prize levels to be determined by the corporation. The corporation may
5 require any agency reporting current child support arrearages to the corporation to
6 provide information relating to such arrearages in a manner, format, or record
7 approved by the corporation. The corporation shall not be liable for withholding a
8 prize based upon child support arrearage information provided to it. Additionally, the
9 corporation shall employ the same methods, procedures, and parameters to withhold
10 prizes for persons who have delinquent debt as defined in R.S. 47:1676(B)(4) which
11 has been assigned to the office of debt recovery for collection. The corporation shall
12 not be liable for withholding prize based upon delinquent debt information provided
13 to it by the office of debt recovery.

14 §9105. Deposit of revenues; transfer of revenues to state treasury; levy of tax

15 A.(1) For purposes of sports wagering authorized pursuant to this Subtitle,
16 if the corporation operates its own sports book, seventy percent of the net gaming
17 proceeds of the corporation from sports wagering offered to consumers within this
18 state shall be transferred to the Developmental Disability Services Subfund provided
19 for in R.S. 39:100.61(D). These monies shall be forwarded upon receipt to the state
20 treasurer for immediate deposit into the state treasury. Funds deposited into the
21 treasury shall first be credited to the Bond Security and Redemption Fund in
22 accordance with Article VII, Section 9(B) of the Constitution of Louisiana.

23 (2) The remaining thirty percent of net gaming proceeds shall distributed as
24 follows:

25 (a) An amount not to exceed five hundred thousand dollars of the remaining
26 thirty percent of net gaming proceeds shall be credited to the Louisiana Lottery
27 Corporation for expenses and costs deemed necessary to administer sports wagering.

1 (b) Five percent of the remaining thirty percent of net gaming proceeds shall
2 be remitted, by proportionate distribution, to each parish governing authority in
3 which the taxable sports wagering conduct occurred.

4 (c) After satisfying the requirements provided for in Paragraph A(1) of this
5 Paragraph and the requirements provided in Subparagraphs (a) and (b) of this
6 Paragraph, the remaining net gaming proceeds shall be deposited into the Louisiana
7 Lottery Proceeds Fund provided for in R.S. 47:9029(B).

8 B.(1) For purposes of sports wagering authorized pursuant to this Subtitle,
9 if the corporation contracts with a sport wagering platform provider to operate its
10 sports book, there is hereby levied a thirty percent tax on the net gaming proceeds
11 of the operator from sports wagering offered to consumers within this state. The
12 money collected pursuant to this Subsection shall be deposited into the
13 Developmental Disability Services Subfund provided for in R.S. 39:100.61(D).
14 These monies shall be forwarded upon receipt to the state treasurer for immediate
15 deposit into the state treasury. Funds deposited into the treasury shall first be credited
16 to the Bond Security and Redemption Fund in accordance with Article VII, Section
17 9(B) of the Constitution of Louisiana.

18 (2) The remaining net gaming proceeds owed to the corporation shall be
19 distributed as follows:

20 (a) An amount not to exceed five hundred thousand dollars of the remaining
21 net gaming proceeds shall be credited to the Louisiana Lottery Corporation for
22 expenses and costs deemed necessary to administer sports wagering.

23 (b) Five percent of the remaining net gaming proceeds shall be remitted, by
24 proportionate distribution, to each parish governing authority in which the taxable
25 sports wagering conduct occurred.

26 (c) After satisfying the requirements provided for in Paragraph A(1) of this
27 Paragraph and the requirements provided in Subparagraphs (a) and (b) of this
28 Paragraph, the remaining net gaming proceeds shall be deposited into the Louisiana
29 Lottery Proceeds Fund provided for in R.S. 47:9029(B).

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Section 6. This Act shall take effect and become operative if and when the Act

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which originated as Senate Bill No. 202 of this 2021 Regular Session of the Legislature is

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enacted and becomes effective.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 697 Original

2021 Regular Session

Stefanski

Abstract: Authorizes the Louisiana Lottery Corporation to conduct sports wagering and levies a tax on sports wagering gaming.

Proposed law provides for the issuance of fees and collection of taxes for the regulation of sports wagering including the following changes to present law:

- (1) Adds sports wagering to prohibited "gambling" crimes.
- (2) Adds sports wagering to definitions of "gaming supplier", "key" and "non-key gaming employees", and "non-gaming supplier."
- (3) Adds sports wagering to \$100,000 civil penalty provisions and civil penalty schedule.
- (4) Provides that manufacturers of sports wagering mechanisms pay same fees as video poker and slot machine manufacturers.
- (5) Provides that applicable laws regarding gaming and non-gaming suppliers and key and on-key gaming employees applies to sports wagering.

Proposed law defines net gaming proceeds as the amount equal to the total gross revenue of all wagers placed by patrons less the total amount of all winnings paid out to patrons and \$2.5 million annually directly attributable to promotional play wagers

Proposed law provides for a sports wagering license fee. Provides that the initial application fee shall be \$250,000. Provides a license fee shall be \$500,000 for a term of 5 years. Provides that the application and license fees shall be submitted to the gaming division of state police and shall be deposited into the proposed law Sports Wagering Enforcement Fund.

Proposed law provides for a sports wagering platform provider permit fee. Provides that the initial application fee shall be \$100,000. Provides a sports wagering platform provider permit fee shall be \$250,000 for a term of 5 years. Provides that the application and permit fees shall be submitted to the gaming division of state police and shall be deposited into the proposed law Sports Wagering Enforcement Fund.

Proposed law provides for a sports wagering service provider permit fee. Provides that the initial application fee shall be \$10,000. Provides that the sports wagering service provider permit fee shall be \$12,500 for a term of 5 years. Provides that the application and permit fees shall be submitted to the gaming division of state police and shall be deposited into the proposed law Sports Wagering Enforcement Fund.

Proposed law provides for a sports wagering distributor permit fee. Provides that the initial application fee shall be \$5,000. Provides that the sports wagering distributor permit fee shall be \$2,500 for a term of 5 years. Provides that the application and permit fees shall be submitted to the gaming division of state police and shall be deposited into the proposed law Sports Wagering Enforcement Fund.

Proposed law provides for a state levy of 10% tax upon the net gaming proceeds of the operator on sports wagering offered to patrons at the licensee's establishment and a state levy of 18% upon the net gaming proceeds of the operator on sports wagering offered to patrons through a website or mobile application. Provides for the taxes to be collected by the gaming division of state police and forwarded to the state treasurer for immediate deposit into the treasury.

Proposed law creates the "Sports Wagering Enforcement Fund" in the state treasury. Provides that monies in the fund shall be withdrawn only pursuant to appropriation by the legislature and used solely for the expenses of the Department of Public Safety and Corrections, the Department of Justice, and the La. Gaming Control Board as may be necessary to carry out the provisions of proposed law and the rules of the board.

Present law provides for the New Opportunities Waiver Fund as a special fund in the state treasury. Requires that monies in the fund be used solely to fund waiver services to improve the capacity of the state to meet the varying and complex needs of individuals with developmental disabilities with emphasis on the increasing the number of recipients of waiver services.

Proposed law creates within the present law fund the Developmental Disability Services Subfund.

Present law provides for the operation of a state lottery by the La. Lottery Corporation.

Proposed law retains present law and authorizes the La. Lottery Corporation to operate and administer sports wagering.

Proposed law authorizes the La. Lottery Corporation through the adoption of rules to provide for the qualifications, standards, and procedures for permitting sports wagering including guidelines for the types of wagers, amounts of wagers, standards for use and protection of players, internal controls for the electronic wagering and the approval of retail establishments offering sports wagering.

Proposed law provides that the present law provisions regarding lottery retailers, vendors and criminal background checks applies to proposed law sports wagering.

Proposed law provides for a comprehensive authorization of the La. Lottery Corporation to conduct sports wagering including the following major points:

- (1) Provides for annual reports to the legislature (R.S. 47:9092).
- (2) Provides for suitability standards for operating sports wagering which are comparable to present law standards for other forms of gaming (R.S. 47:9094).
- (3) Provides for the sports wagering platform providers specifications for operation (R.S. 27:9095).
- (4) Requires sports wagering platforms to provide safeguards to make sure that a person who is attempting to wager is at least 21 years of age. (R.S. 47:9095(F)).
- (5) Provides for a sports wagering platform permit, an application fee of \$100,000 and a permit fee of \$250,000. (R.S. 47:9095(H))

- (6) Provides that a sports wagering platform provider permit has a term of five years. (R.S. 47:9095(H)).
- (7) Provides for sports wagering service providers. (R.S. 47:9095).
- (8) Provides that the application fee for a sports wagering service provider is \$10,000 and that the permit fee is \$12,500 for a five year term. (R.S. 47:9095(D) and (E)).
- (9) Provides for limitations on who may wager, and the types of wagers which may be accepted by the operator (R.S. 47:9098).
- (10) Provides for the specifications of sports wagering mechanisms (R.S. 47:9100).
- (11) Provides for the requirements for wagering through a website or mobile application (R.S. 47:9101).
- (12) Provides for the awarding and payment of prizes (R.S. 47:9102).
- (13) Provides for withholding of prize money from persons with outstanding child support arrearages which is provided for in present law with other forms of gaming (R.S. 47:9103).

Proposed law defines retail establishments as:

- (1) Any business entity licensed or permitted under present law by the Louisiana Lottery Corporation.
- (2) Any establishment that has a Class A-General retail or restaurant permit for the sale of alcoholic beverages for on premises consumption.

Proposed law provides for an initial application fee of \$1,000 and a permit fee of \$100 for a one year permit for retail establishments.

Proposed law provides that all application fees are non-refundable.

Proposed law provides that if the corporation operates its own sports book:

- (1) 30% of the net gaming proceeds of the corporation from sports wagering offered to consumers within this state shall be transferred to the Developmental Disability Services Subfund.
- (2) The remaining 70% of net gaming proceeds of the corporation from sports wagering offered to consumers within this state shall distributed as follows:
 - An amount not to exceed \$500,000 of the remaining 70% of net gaming proceeds shall be credited to the La. Lottery Corporation for expenses and costs deemed necessary to administer sports wagering.
 - 5% of the remaining 70% of net gaming proceeds shall be remitted, by proportionate distribution, to each parish governing authority in which the taxable sports wagering conduct occurred.
 - The remaining net gaming proceeds shall be deposited into the La. Lottery Proceeds Fund provided for in present law.

Proposed law provides that if the corporation contracts with a sports wagering platform provider to operate its own sports book:

- (1) 70% of the net gaming proceeds of the corporation from sports wagering offered to consumers within this state shall be transferred to the Developmental Disability Services Subfund.
- (2) The remaining 30% of net gaming proceeds of the corporation from sports wagering offered to consumers within this state shall distributed as follows:
 - An amount not to exceed \$500,000 of the remaining 30% of net gaming proceeds shall be credited to the La. Lottery Corporation for expenses and costs deemed necessary to administer sports wagering.
 - 5% of the remaining 30% of net gaming proceeds shall be remitted, by proportionate distribution, to each parish governing authority in which the taxable sports wagering conduct occurred.
 - The remaining net gaming proceeds shall be deposited into the La. Lottery Proceeds Fund provided for in present law.

(Amends R.S. 13:4721, R.S. 14.90.5(A) through (C), R.S. 27:3(10), (15), (17), and (19), 15(D) and (E), 29.1(D), 29.2(A), (B), (D), and (E), 29.3(A), 29.4(D), R.S. 47:9001, 9002, 9006(B), 9009(B) and (C), 9010(E), 9015(D), and 9029(A)(1); and Adds R.S. 14:90(E) and 90.3(K), R.S. 27:92(D), R.S. 27:621-627, R.S. 39:100.61(D) and R.S. 47:9091-9105)