
The original instrument was prepared by Alan Miller. The following digest, which does not constitute a part of the legislative instrument, was prepared by Dawn Romero Watson.

DIGEST

SB 142 Reengrossed 2021 Regular Session Ward

Present law provides that the La. Gaming Control Board has all regulatory authority, control, and jurisdiction, including investigation, licensing, and enforcement, and all power incidental or necessary to such regulatory authority, control, and jurisdiction over all aspects of sports wagering activities and operations in the parishes in which the voters affirmatively authorized the legalization of sports wagering as a result of the proposition election held on November 3, 2020.

Proposed law (House Bill No. 697 of the 2021 Regular Session) levies a 10% tax on net gaming proceeds for sports wagering when the wager is placed in person or via a sports wagering mechanism and a 15% tax on net gaming proceeds for sports wagering when the wager is placed via a website or mobile application. Provides that taxes are due on the 20th day of the month for net gaming proceeds generated by a licensee in the previous month. Allows a licensee to carry over a negative number to the return of a subsequent month, but prohibits an amount to be carried over in any period more than 12 months after the month in which the amount carried over was originally due.

Proposed law provides that after complying with proposed law regarding the crediting of the taxes to the Bond Security and Redemption Fund, the state treasurer shall credit the following amounts to the following funds:

- (1) One percent to the Behavioral Health and Wellness Fund.
- (2) Twenty percent, not to exceed \$10M, to the Louisiana Early Childhood Education Fund.
- (3) Ten percent to each parish governing authority where the taxable conduct occurred, by proportionate distribution.
- (4) One percent to the Sports Wagering Purse Supplemental Fund.
- (5) Balance (68%) to state general fund.

Proposed law created in the state treasury a special fund to be known as the Sports Wagering Purse Supplemental Fund. Provides that any appropriation by the legislature to the Louisiana State Racing Commission from the fund shall be utilized to supplement purses. Provides that each fiscal year, the Louisiana State Racing Commission shall allocate any appropriations received from sports wagering taxes as follows:

- (1) Two-thirds of the funds appropriated shall be allocated and provided to the four race tracks on the basis of the proportion of the number of thoroughbred race days each association

conducted for the preceding year bears to the total number of thoroughbred race days conducted statewide for the preceding year. Provides that the funds shall be used solely to supplement purses in accordance with a schedule or formula established by the purse committee of the Louisiana Thoroughbred Breeders Association on Louisiana-bred thoroughbred races.

- (2) One-third of the funds appropriated shall be allocated and provided to the four race tracks on the basis of the proportion of the number of quarter horse race days each association conducted for the preceding year bears to the total number of quarter horse race days conducted statewide for the preceding year, and such funds shall be used solely to supplement purses in accordance with a schedule or formula established by the purse committee of the Louisiana Quarter Horse Breeders Association on Louisiana-bred quarter horse races.

Proposed law creates the Behavioral Health and Wellness Fund in the state treasury. Provides that any appropriations, public or private grants, gifts, or donations received by the state or by the Department of Health or its office of behavioral health or human services districts for the purposes of gambling disorders shall be utilized to support and invest in intensive and comprehensive treatment facilities for individuals with compulsive and problem gambling addictions. Provides that monies in the fund shall only be withdrawn pursuant to an appropriation by the legislature solely to implement the provisions of proposed law.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 4:199, R.S. 27:625(G) and R.S. 28:843)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Added provisions regarding distribution of tax avails.
2. Creates special funds.