

GREEN SHEET REDIGEST

HB 564

2023 Regular Session

Schexnayder

RACING/HORSE: Provides relative to racehorse wagering.

DIGEST

Present law provides that all other forms of wagering on the result of horse races, other than pari-mutuel wagering, are illegal.

Proposed law removes provision in present law that prohibits any form of wagering on horse races other than pari-mutuel wagering, as provided in proposed law.

Proposed law creates in the state treasury a special fund to be known as the Fixed Odds Horse Wagering Purse Supplement Fund (fund).

Proposed law requires any appropriation by the legislature to the La. State Racing Commission (LSRC) from the fund be utilized to supplement purses as provided by proposed law.

Proposed law requires monies in the fund to be invested by the state treasurer in the same manner as monies in the state general fund. Proposed law requires interest earned on the investments of monies in the fund be deposited in and credited to the fund. Present law requires unexpended and unencumbered monies in the fund at the end of the fiscal year to remain in the fund.

Proposed law requires monies in the fund only be withdrawn pursuant to an appropriation by the legislature solely to implement the provisions of proposed law.

Proposed law requires that each fiscal year, the LSRC allocate any appropriations received pursuant to proposed law as follows:

- (1) 70% to the race tracks on the basis of the proportion of the number of thoroughbred race days conducted for the preceding year compared to the total number of thoroughbred race days conducted statewide for the preceding year, with such funds being used solely to supplement purses in accordance with a schedule or formula established by the purse committee of the Louisiana Thoroughbred Breeders Association.
- (2) 30% to the race tracks on the basis of the proportion of the number of quarter horse race days conducted for the preceding year compared to the total number of quarter horse race days conducted statewide for the preceding year, with such funds being used solely to supplement purses in accordance with a schedule or formula established by the purse committee of the Louisiana Quarter Horse Breeders Association.

Proposed law changes the definition of "sports event" to include horse racing.

Proposed law requires the La. Gaming Control Board (LGCB) to establish guidelines for the acceptance of fixed odds horse race wagers.

Proposed law prohibits a sports wagering operator from knowingly accepting a wager from a person who is a jockey, horseman, including their employees, or a racing official who is participating in the horse racing sports event on which the person is attempting to place the wager.

Proposed law defines "fixed odds wagering on horse races" as the acceptance of wagers on a sports event of a live or simulcast horse race with predetermined odds.

Proposed law defines a "fixed odds wager on horse races" as a sum of money or representation of value risked by a player on an occurrence associated with a sports event involving race horses for which the outcome is uncertain. The term includes single-race bets, teaser bets, moneyline bets, in-race wagering, proposition bets, straight bets, and parlays.

Proposed law provides for net gaming proceeds from all fixed odds wagers on horse races, other than parlays, to be allocated and shall be credited to the fund.

Proposed law provides for net gaming proceeds from all fixed odds wagers on horse races, in conjunction with a parlay bet with other sports event other than another horse racing event, to be allocated and shall be credited to the Sports Wagering Purse Supplement Fund established by present law.

Proposed law requires the licensee or its sports wagering platform to only accept fixed odds wagers on horse racing in the sports book lounge or on a sports wagering platform pursuant to a commercial participation agreement, approved by the LGCB, with a race track licensed by the LSRC for the track's simulcast or other video transmission of its entire race card.

Proposed law provides that after executing at least one commercial participation agreement with a race track licensed by the LSRC, and subject to applicable federal laws, the LGCB shall permit an authorized licensee or its sports wagering platform to conduct fixed odds horse wagering on any live horse races conducted out of state.

Present law provides for a 10% tax upon the net gaming proceeds from sports wagering conducted onsite at a licensed sports wagering establishment.

Present law provides for a 15% tax upon the net gaming proceeds from sports wagering conducted electronically through a website or mobile application.

Present law requires that 2.5% of the monies collected pursuant to present law be credited to the Sports Wagering Purse Supplement Fund.

Proposed law requires 5% of the monies collected from fixed odds wagering on horse races be credited to the fund.

(Amends R.S. 4:149(A) and R.S. 27:44(22), 205(30), 602(19) and (22), and 625(G)(4); adds R.S. 4:200 and R.S. 27:86(E), 249.1(E), 603(2)(a)(xvii), 608(B)(3), and 622)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Require the Gaming Control Board, instead of the division, to issue a permit to conduct wagering at the licensed sports operator.
2. Require an applicant for a permit to submit his application with a written contract authorizing the applicant to conduct wagering to the licensed sports operator.
3. Require the Gaming Control Board, instead of the division, to promulgate rules and regulations for conducting wagering at the licensed sports operator.
4. Make technical changes.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Judiciary B to the reengrossed bill

1. Makes technical changes.

2. Removes all provisions providing for fixed-odds racehorse wagering within a land-based casino and the payment of audited net profits from such wagering to a licensed racing association.
3. Removes provision in present law that prohibits any form of wagering on horse races other than pari-mutuel wagering, as provided in proposed law.
4. Creates a Fixed Odds Horse Wagering Purse Supplement Fund with monies to be allocated for purse supplements, with 70% going toward thoroughbred purses and 30% going toward quarter horse purses.
5. Adds a definition of "fixed odds wagering on horse races".
6. Adds the requirement that fixed odds wagering on horse races only be conducted pursuant to a commercial participation agreement.
7. Changes definition of "sports event" to include horse races.
8. Adds prohibition on who may place a fixed odds wager on horse races to include a jockey, horseman, including their employees, or a racing official.
9. Provides for allocation of net gaming proceeds to the Fixed Odds Horse Wagering Purse Supplement Fund.