

Regular Session, 2011

HOUSE BILL NO. 516

VETOED
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Veto Message

BY REPRESENTATIVES LEGER, ABRAMSON, ARNOLD, AUSTIN BADON,
BISHOP, BROSSETT, HENDERSON, HINES, MORENO, AND STIAES AND
SENATORS MORRELL, PETERSON, AND WILLARD-LEWIS

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

1 AN ACT

2 To amend and reenact R.S. 27:247 and 270(A)(3)(a), relative to the casino support services
3 contract; to provide for the funding of such contract; to establish the Casino Support
4 Services Fund as a special treasury fund; to provide for uses of monies in the fund;
5 to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 27:247 and 270(A)(3)(a) are hereby amended and reenacted to read
8 as follows:

9 §247. Casino support services contract; Casino Support Services Fund

10 A. Subject to and in accordance with the provisions of this Chapter, the
11 gaming control board shall enter into a casino support services contract with the
12 governing authority of the parish where the official gaming establishment is located
13 in order to compensate the parish on a quarterly basis for the cost to the parish for
14 providing support services resulting from the operation of the official gaming
15 establishment and the activities therein. Support services as used in this Section
16 shall include but not be limited to fire, police, sanitation, health, transportation, and
17 traffic services. The amount of the contract shall be determined by negotiation and
18 agreement between the gaming control board and the parish, subject to approval by

1 the Joint Legislative Committee on the Budget. In the event that a new contract is
2 not agreed upon by the gaming control board and the parish by March thirty-first of
3 any year, the contract currently in effect shall be submitted to the Joint Legislative
4 Committee on the Budget for approval of the amount of the contract at the next
5 meeting of the committee. If the committee approves the amount of the contract, the
6 contract shall remain in full force and effect. If the committee disapproves or does
7 not act upon the amount of the contract, the contract shall be null, void, and of no
8 effect. If the committee disapproves or does not act upon the amount of the contract
9 and the contract is null, void, and of no effect, the treasurer shall not deposit any
10 monies into the fund.

11 B.(1) There is hereby created in the state treasury, as a special fund, the
12 Casino Support Services Fund, hereinafter referred to as the "fund", to provide
13 compensation to the parish governing authority pursuant to a casino support services
14 contract executed pursuant to Subsection A of this Section.

15 (2) Monies in the fund shall be invested in the same manner as monies in the
16 general fund. Interest earned on investment of monies in the fund shall be credited
17 to the fund. Unexpended and unencumbered monies in the fund at the end of the
18 fiscal year shall remain in the fund.

19 C. Monies in the fund shall be appropriated to the parish governing authority
20 and used to compensate the parish on a quarterly basis for the cost to the parish of
21 providing support services resulting from the operation of the official gaming
22 establishment and the activities therein.

23 * * *

24 §270. Deposit of revenues; expenditures and investments authorized; transfer of
25 revenues to state treasury; corporation operating account; audit of
26 corporation books and records; audits

27 A.(1)

28 * * *

29 (3)(a) Daily, the corporation shall transfer to the state treasury for deposit
30 into certain funds in the treasury, as provided in this Paragraph, the amount of net

revenues which the corporation determines are surplus to its needs. After first being credited to the Bond Security and Redemption Fund in accordance with Article VII, Section 9(B) of the Constitution of Louisiana, and after satisfying any other requirements of the Constitution and laws of Louisiana, such net revenues shall be deposited as follows:

(i) ~~Ten percent~~ The first one million eight hundred thousand dollars shall be deposited in and credited to the Casino Support Services Fund; the next seventy-four million dollars shall be deposited in and credited to the Support Education in Louisiana First Fund as provided in R.S. 17:421.7 and shall be used solely and exclusively for the same purposes provided for in Paragraph (B)(1) of that Section.

(ii) Any net revenues in excess of the above amounts shall be divided equally between the Casino Support Services Fund and the Support Education in Louisiana First Fund up to the actual casino support services contract amount.

(iii) Except in a year when the Joint Legislative Committee on the Budget disapproves or does not act upon the amount of the casino support services contract as provided in R.S. 27:247 and no revenues are required to be deposited in and credited to the Casino Support Services Fund, and after satisfying the requirements of Item (i) of this Subparagraph, all such net revenues shall be deposited in and credited to the Casino Support Services Fund as provided in R.S. 27:247, not to exceed the amount required to fully fund the casino support services contract most recently approved by the Joint Legislative Committee on the Budget.

(iv) ~~Ninety percent~~ The remainder shall be deposited in and credited to the Support Education in Louisiana First Fund as provided in R.S. 17:421.7.

* * *

Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

VETO MESSAGE

House Bill No. 516 by Representative Leger diverts the first \$1.8 million dollars away from the Support Education in Louisiana First (SELF) Fund, a fund used to support salary expenses for K-12 and higher education, to a new Casino Support Services Fund.

House Bill No. 516 restructures the revenue flow into the SELF Fund and impacts future funding for K-12 and higher education salaries. The objective of the bill is to fund the City of New Orleans' casino support services contract, which has already been achieved through HB 1.

For this reason, I have vetoed House Bill No. 516 and hereby return it to the House.