

Existing law provides that the gaming control board and the parish governing authority shall enter into a casino support services contract to compensate the governing authority for support services resulting from operation of the land-based casino. Requires approval of the Joint Legislative Committee on the Budget (JLCB). If a new contract is not agreed to by March 31, the contract currently in effect shall remain in full force and effect. If the JLCB approves the contract, it shall remain in full force and effect.

Proposed law would have retained existing law.

Existing law provides that if the JLCB disapproves or does not act upon the amount of the contract, it shall be nullified.

Proposed law would have retained existing law and added a provision that if JLCB disapproves or does not act upon the amount of the contract, the treasurer shall not deposit any monies into the Casino Support Services Fund which proposed law would have established as a special treasury fund to provide compensation to the parish governing authority pursuant to a casino support services contract.

Proposed law would have provided that monies in the fund shall be appropriated to the parish governing authority and used to compensate the parish on a quarterly basis for the cost to the parish of providing support services resulting from the operation of the official gaming establishment and the activities therein.

Existing law provides that, of net revenues received from the land-based casino, up to \$500,000 shall be deposited into the Compulsive and Problem Gaming Fund. Further provides that the remainder of net revenues to be deposited to the state treasury shall be deposited as follows:

- (1) 10% shall be deposited in and credited to the Support Education in La. First (SELF) Fund, to be used to provide the increase in salary of certain public pre-K through 12th grade certificated personnel and other public pre-K through 12th grade classroom teachers as provided in existing law.
- (2) 90% to the SELF Fund.

Proposed law would have provided that the revenues shall be deposited as follows:

- (1) The first \$1,800,000 shall be deposited into the Casino Support Services Fund.
- (2) The next \$74 million shall be deposited and credited to the SELF Fund.
- (3) Any revenues in excess of the above amounts shall be divided equally between the Casino Support Services Fund and the SELF Fund until the casino support services contract has been fully funded.
- (4) The remainder shall be deposited into and credited to the SELF Fund.

Existing law establishes the SELF Fund. Provides that certain riverboat gaming franchise fees and casino net revenues shall be used and expended solely as follows:

- (1) 70% percent of the monies in the fund shall be used to provide an increase in the salary of certain pre-K through 12th grade certificated personnel and for other public pre-kindergarten through 12th grade classroom teachers in FY 2001-2002 and annually to support such increase.
- (2) 30% of the monies in the fund shall be used to provide public postsecondary education faculty salary increases, including related benefits, to be distributed in accordance with a plan developed jointly by the Board of Regents and the division of administration in FY 2001-2002 and annually to support such increase.

Proposed law would have retained existing law.

Would have been effective upon signature of governor or lapse of time for gubernatorial action.

(Proposed to amend R.S. 27:247 and 270(A)(3)(a))

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."