

Regular Session, 2012

HOUSE BILL NO. 1216 (Substitute for House Bill No. 717 by Representative Thompson)

BY REPRESENTATIVE THOMPSON

TAX/GAMING: Dedicates a portion of the state tax on riverboats collected in Bossier and Caddo parishes

1 AN ACT

2 To amend and reenact R.S. 27:92(B)(2)(b)(i) and (c) and to enact R.S. 27:92(B)(2)(d) and

3 (D), relative to the collection and disposition of fees from the conduct of gaming

4 activities on a riverboat; to dedicate a portion of fees collected from certain

5 riverboats operating within Bossier Parish and Caddo Parish; to require the deposit

6 of proceeds under certain circumstances; to establish the Caddo-Bossier Economic

7 Development and Tourism Fund as a special treasury fund; to provide for deposits

8 into a special treasury fund; to provide for uses of a special treasury fund; to provide

9 for reporting; to provide for an effective date; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 27:92(B)(2)(b)(i) and (c) are hereby amended and reenacted and R.S.  
12 27:92(B)(2)(d) and (D) are hereby enacted to read as follows:

13 §92. Collection and disposition of fees

14 \* \* \*

15 B.

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17 (2) After complying with the provisions of Paragraph (1) of this Subsection,  
18 the state treasurer shall, each fiscal year, credit the following amounts to the  
19 following funds:

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(b)(i) Except as provided in Item (ii) of this Subparagraph ~~and Subparagraph (d) of this Paragraph~~, the franchise fee paid pursuant to R.S. 27:91(C)(1) to the state general fund.

(c) To a special fund, which is hereby created in the state treasury and entitled the Riverboat Gaming Enforcement Fund, an amount equal to the revenues received by the state pursuant to this Chapter, less any monies credited to other funds pursuant to the provisions of Subparagraphs ~~(a) and (b)~~ (a), (b), and (d) of this Paragraph.

(d)(i)(AA) For the period commencing on July 1, 2012 and concluding on June 30, 2023, eight percent of the franchise fee paid pursuant to R.S. 27:91(C)(1) which is attributable to any riverboat gaming licensee in Caddo Parish or Bossier Parish not in operation prior to July 1, 2012, which subsequently begins operation on or after July 1, 2012, to the Caddo-Bossier Economic Development and Tourism Fund, as provided for in R.S. 27:92(D).

(BB) For the period commencing on July 1, 2012 and concluding on June 30, 2023, eight percent of the license fee paid pursuant to R.S. 27:91(B)(2) which is attributable to any riverboat gaming licensee in Caddo Parish or Bossier Parish not in operation prior to July 1, 2012, which subsequently begins operation on or after July 1, 2012, to the Caddo-Bossier Economic Development and Tourism Fund, as provided for in R.S. 27:92(D).

(ii) The provisions of this Subparagraph shall not be implemented unless the riverboat gaming licensee in Caddo Parish or Bossier Parish not in operation prior to July 1, 2012, which subsequently begins operation on or after July 1, 2012, meets the following criteria:

- (AA) Has capital investment of no less than ninety million dollars.
- (BB) Operates a facility with no less than three hundred hotel rooms.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.



1           (c) Any entity appropriated monies from the fund shall report annually to the  
 2           secretary of the Department of Economic Development and the Joint Legislative  
 3           Committee on the Budget. Such report shall include detailed information on the  
 4           following:

5           (i) The expenditures made with the monies received from the fund.

6           (ii) The economic impact of the expenditures made with the monies received  
 7           from the fund.

8           (2) All unexpended and unencumbered monies remaining in the fund at the  
 9           end of the fiscal year shall remain in the fund. The monies in the fund shall be  
 10          invested by the treasurer in the same manner as the monies in the state general fund  
 11          and all interest earned shall be credited to the fund.

12          Section 2. This Act shall become effective July 1, 2012; if vetoed by the governor  
 13          and subsequently approved by the legislature, this Act shall become effective on July 1,  
 14          2012, or on the day following such approval by the legislature, whichever is later.

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#### 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)]

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Thompson

HB No. 1216

**Abstract:** Dedicates certain state revenues from riverboat gaming operations in Bossier and Caddo parishes to the Shreveport-Bossier Sports Commission, the Independence Bowl, Greater Bossier Economic Development Foundation, and the North Louisiana Economic Partnership.

Present law (R.S. 27:91) provides for certain fees on riverboat gaming licensees including:

- (1) A license fee of 3.5% of net gaming proceeds.
- (2) A franchise fee of 15% of net gaming proceeds.
- (3) An additional franchise fee of 3% of net gaming proceeds.

Present law requires that the fees on riverboat gaming licensees be deposited into the Compulsive Problem and Gaming Fund, the state general fund, the Support Education in La. First Fund (the SELF Fund), and the Riverboat Gaming Enforcement Fund.

Present law requires that the franchise fee of 15% of net riverboat gaming proceeds be deposited into the state general fund, excluding 9% of the 15% which is to be deposited into the SELF Fund.

Proposed law retains present law on revenues deposited into the Compulsive Problem and Gaming Fund and the SELF Fund.

Present law requires that 9% of the license fee of 3.5% of net riverboat gaming proceeds be deposited into the SELF Fund.

Present law creates the Riverboat Gaming Enforcement Fund and provides that an amount equal to the revenues received from riverboat gaming proceeds less certain monies credited to the Compulsive and Problem Gaming Fund, the SELF Fund and the state general fund.

Proposed law retains present law and further adds monies credited to the Caddo-Bossier Economic Development and Tourism Fund pursuant to proposed law.

Proposed law provides that between July 1, 2012 and June 30, 2023, 8% of the 15% license fee which is attributable to any riverboat gaming licensee in Caddo Parish or Bossier Parish not in operation prior to July 1, 2012, which subsequently begins operation on or after July 1, 2012, be dedicated to the Caddo-Bossier Economic Development and Tourism Fund.

Proposed law provides that between July 1, 2012 and June 30, 2023, 8% of the 3.5% franchise fee which is attributable to any riverboat gaming licensee in Caddo Parish or Bossier Parish not in operation prior to July 1, 2012, which subsequently begins operation on or after July 1, 2012, be dedicated to the Caddo-Bossier Economic Development and Tourism Fund.

Proposed law further provides that the provisions of proposed law shall not be implemented unless the riverboat gaming licensee in Caddo Parish or Bossier Parish not in operation prior to July 1, 2012, which subsequently begins operation on or after July 1, 2012, meets the following criteria:

- (1) Has capital investment of no less than \$90 million.
- (2) Operates facility with no less than 300 hotel rooms.
- (3) Operates a facility with no less than 2,500 square feet of meeting and convention space.
- (4) Operates a gaming facility with no less than 25,000 square feet.
- (5) Creates no fewer than 1,000 new jobs.

Proposed law further provides that the provisions of proposed law shall not be implemented until the revenue from riverboat gaming licensees in Caddo Parish and Bossier Parish in a fiscal year is more than the three year average annual revenues from riverboat gaming licensees in Caddo Parish and Bossier Parish for Fiscal Year 2008-2009, 2009-2010, and 2010-2011.

Proposed law creates the Caddo-Bossier Economic Development and Tourism Fund and further provides that monies deposited into the fund attributable to riverboat gaming license and franchise fees paid in Caddo Parish or Bossier Parish as provided in proposed law shall be appropriated as follows:

- (1) 45% to the Shreveport-Bossier Sports Commission.
- (2) 45% to the Independence Bowl Foundation, Inc.
- (3) 5% to the Greater Bossier Economic Development Foundation, Inc.
- (4) 2.5% to the North Louisiana Economic Partnership.

(5) 2.5% to the Northeast Louisiana Economic Alliance.

Proposed law provides that such appropriation shall occur only after certification from the treasurer that the fund balance is sufficient to fully fund the appropriation and in the fiscal year following the fiscal year in which the revenues were collected.

Proposed law further provides that any entity appropriated monies from the fund shall report annually to the secretary of the Department of Economic Development and the Joint Legislative Committee on the Budget on the expenditures made with the monies received and the economic impact of the expenditures made with the monies received.

Effective July 1, 2012.

(Amends R.S. 27:92(B)(2)(b)(i) and (c); Adds R.S. 27:92(B)(2)(d) and (D))