

Regular Session, 2013

HOUSE BILL NO. 320

BY REPRESENTATIVE LEGER

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

GAMING/REVENUE: Provides relative to the casino support services contract

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 for the cost to the parish for providing support
14 services resulting from the operation of the official gaming establishment and the
15 activities therein. Support services as used in this Section shall include but not be
16 limited to fire, police, sanitation, health, transportation, and traffic services. The
17 amount of the contract shall be determined by negotiation and agreement between
18 the gaming control board and the parish, subject to approval by the Joint Legislative
19 Committee on the Budget. In the event that a new contract is not agreed upon by the
20 gaming control board and the parish by March thirty-first of any year, the contract

1 currently in effect shall be submitted to the Joint Legislative Committee on the
2 Budget for approval of the amount of the contract at the next meeting of the
3 committee. If the committee approves the amount of the contract, the contract shall
4 remain in full force and effect. If the committee disapproves or does not act upon
5 the amount of the contract, the contract shall be null, void, and of no effect. If the
6 committee disapproves or does not act upon the amount of the contract and the
7 contract is null, void, and of no effect, the treasurer shall not deposit any monies into
8 the fund.

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

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

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

21 * * *

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

25 A.

26 * * *

27 (3)(a) Daily, the corporation shall transfer to the state treasury for deposit
28 into certain funds in the treasury, as provided in this Paragraph, the amount of net
29 revenues which the corporation determines are surplus to its needs. After first being

1 credited to the Bond Security and Redemption Fund in accordance with Article VII,
2 Section 9(B) of the Constitution of Louisiana, and after satisfying any other
3 requirements of the Constitution and laws of Louisiana, such net revenues shall be
4 deposited as follows:

5 (i) ~~Ten percent~~ The first one million eight hundred thousand dollars shall be
6 deposited in and credited to the Casino Support Services Fund; the next sixty million
7 dollars shall be deposited in and credited to the Support Education in Louisiana First
8 Fund as provided in R.S. 17:421.7 and shall be used solely and exclusively for the
9 same purposes provided for in Paragraph (B)(1) Paragraphs (B)(1) and (2) of that
10 Section.

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

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

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

24 * * *

25 Section 2. This Act shall become effective upon signature by the governor or, if not
26 signed by the governor, upon expiration of the time for bills to become law without signature
27 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
28 vetoed by the governor and subsequently approved by the legislature, this Act shall become
29 effective on the day following such approval.

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)]

Leger

HB No. 320

Abstract: Requires a portion of the monies collected from the operation of a land-based casino to be deposited into a special fund to be used to compensate the parish governing authority for support services as provided in the most recently approved casino support services contract.

Present 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 retains present law.

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

Proposed law retains present law and adds 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 establishes as a special treasury fund to provide compensation to the parish governing authority pursuant to a casino support services contract.

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

Present 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 present law.
- (2) 90% to the SELF Fund.

Proposed law provides 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 \$60 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.

Present 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-K 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 retains present law.

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

(Amends R.S. 27:247 and 270(A)(3)(a))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Provided that the first \$60 million deposited into the SELF Fund be for both K-12 and higher education, instead of K-12 education only.