

Regular Session, 2010

HOUSE BILL NO. 334

BY REPRESENTATIVE LEGER

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 an effective date; and to
5 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
19 the Joint Legislative Committee on the Budget. In the event that a new contract is
20 not agreed upon by the gaming control board and the parish by March thirty-first of
21 any year, the contract currently in effect shall be submitted to the Joint Legislative
22 Committee on the Budget for approval of the amount of the contract at the next

1 meeting of the committee. If the committee approves or does not act upon the
2 amount of the contract, the contract shall remain in full force and effect. If the
3 committee disapproves ~~or does not act upon~~ the amount of the contract, the contract
4 shall be null, void, and of no effect.

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

9 (2) Monies in the fund shall be invested in the same manner as monies in the
10 general fund. Interest earned on investment of monies in the fund shall be credited
11 to the fund. Unexpended and unencumbered monies in the fund at the end of the
12 fiscal year shall remain in the fund.

13 (3) The state treasurer is directed to deposit into the fund at the beginning of
14 each fiscal year an amount equal to the amount of the compensation provided
15 pursuant to the casino support services contract most recently approved by the Joint
16 Legislative Committee on the Budget from the net revenues from casino gaming
17 operations as provided by R.S. 27:270(A)(3)(a). Monies in the fund shall be
18 appropriated, administered, and used solely as provided in Subsection C of this
19 Section.

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

24 * * *

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

28 A.

29 * * *

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. 334

Abstract: Creates the Casino Support Services Fund and dedicates the amount required to fund the most recently approved casino support services contract. Additionally deletes present law nullifying the most recent casino support services contract if no action is taken by the Joint Legislative Committee on the Budget.

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 provides that if JLCB does not approve the amount of the contract, the prior contract shall remain in full force and effect. Retains present law nullifying the contract if it is disapproved by the JLCB.

Proposed law establishes the Casino Support Services Fund as a special treasury fund to provide compensation to the parish governing authority pursuant to a casino support services contract. The state treasurer is directed to deposit at the beginning of the fiscal year an amount equal to the amount of the most recently approved casino support services contract from net revenues from the land-based casino as provided in proposed law.

Proposed law provides 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.

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. 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 deletes present law and instead provides that net revenues be deposited as follows:

- (1) All net revenues shall deposited into the SELF Fund until the fund balance is sufficient to fully fund appropriations from the SELF Fund in the current fiscal year.

- (2) After the requirements of (1) are satisfied, all net revenues shall be deposited into the Casino Support Services Fund, not to exceed the amount required to fully fund the casino support services contract most recently approved by the JLCB.
- (3) Any net revenues remaining after satisfying the requirements of (1) and (2) shall be deposited into the SELF Fund.

Present law established 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 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. Added requirement that deposits into the Casino Support Services Fund come from net revenues received by the state from the land-based casino.
2. Changed provisions requiring deposits of net revenues from the land-based casino into the SELF Fund and permitting the deposit of certain net revenues into the Casino Support Services Fund instead of the SELF Fund.

House Floor Amendments to the engrossed bill.

1. Changed effectiveness from July 1, 2010, to signature of the governor or lapse of time for gubernatorial action.