

Regular Session, 2010

HOUSE BILL NO. 334

BY REPRESENTATIVE LEGER

VETOED
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Veto Message

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
23 meeting of the committee. If the committee approves the amount of the contract, the
24 contract shall remain in full force and effect. If the committee disapproves or does
25 not act upon the amount of the contract, the contract shall be null, void, and of no

1 effect. If the committee disapproves or does not act upon the amount of the contract
2 and the contract is null, void, and no effect, the treasurer shall not deposit any monies
3 into the fund.

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

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

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

16 * * *

17 §270. Deposit of revenues; expenditures and investments authorized; transfer of
18 revenues to state treasury; corporation operating account; audit of
19 corporation books and records; audits

20 A.

21 * * *

22 (3)(a) Daily, the corporation shall transfer to the state treasury for deposit
23 into certain funds in the treasury, as provided in this Paragraph, the amount of net
24 revenues which the corporation determines are surplus to its needs. After first being
25 credited to the Bond Security and Redemption Fund in accordance with Article VII,
26 Section 9(B) of the Constitution of Louisiana, and after satisfying any other
27 requirements of the Constitution and laws of Louisiana, such net revenues shall be
28 deposited as follows:

1 (i) Ten percent shall be deposited in and credited to the Support Education
2 in Louisiana First Fund as provided in R.S. 17:421.7 and shall be used solely and
3 exclusively for the same purposes provided for in Paragraph (B)(1) of that Section.

4 (ii) Except in a year when the Joint Legislative Committee on the Budget
5 disapproves or does not act upon the amount of the casino support services contract
6 as provided in R.S. 27:747 and no revenues are required to be deposited in and
7 credited to the Casino Support Services Fund, and after satisfying the requirements
8 of Item (i) of this Paragraph, all such net revenues shall be deposited in and credited
9 to the Casino Support Services Fund as provided in R.S. 27:247, not to exceed the
10 amount required to fully fund the casino support services contract most recently
11 approved by the Joint Legislative Committee on the Budget.

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

14 * * *

15 Section 2. This Act shall become effective upon signature by the governor or, if not
16 signed by the governor, upon expiration of the time for bills to become law without signature
17 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
18 vetoed by the governor and subsequently approved by the legislature, this Act shall become
19 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. 334 creates the Casino Support Services Fund and dedicates certain revenues to this new fund. Under House Bill No. 334, the casino support services fund receives its full allocation from resources that would have been deposited in the Support Education in Louisiana First Fund (SELF), which is used to fund salary expenses for pre-K through 12th grade teachers and college faculty.

Efforts have been undertaken by the author and the Division of Administration to find consensus with the bill language. Unfortunately, House Bill No. 334, as was reported from the conference committee, will cause a \$3.6 million shortfall in the FY11 appropriations for Higher Education and the MFP, diverting monies dedicated to salary expenses for pre-K through 12th grade teachers and college faculty. At a time of declining revenues, we should be working together to increase our flexibility in the budget process to protect education and health care instead of increasing the portion of revenues that are dedicated.

For these reasons, I have vetoed House Bill No. 334 and hereby return it to the House of Representatives. There is merit to the author's intent with this legislation; I remain open to considering other alternatives next session.