

Regular Session, 2010

HOUSE BILL NO. 827

BY REPRESENTATIVE TUCKER

RACING/REVENUES: Provides for changes to the disbursement of monies collected for the Horsemen's Benevolent and Protective Association

1 AN ACT

2 To amend and reenact R.S. 4:183(A)(introductory paragraph) and (4)(b) and (B),  
3 216(C)(1)(introductory paragraph), (2), (4), and (5), 217(D)(1)(d) and R.S.  
4 27:318(B)(4) and (C) and 361(B)(4)(a)(i) and (ii) and to repeal R.S. 4:183(A)(4)(c),  
5 251, 251.1, and 252, relative to disbursement of revenues generated by horse racing;  
6 to provide for disbursement of revenues earned on horse racing pari-mutuel wagers;  
7 to provide for disbursement of revenues generated at offtrack wagering facilities; to  
8 provide for disbursement of revenues generated by devices at pari-mutuel wagering  
9 facilities; to provide for disbursement of revenues generated by slot machines at  
10 eligible facilities; to repeal the Horsemen's Workers' Compensation Insurance  
11 Program and the Horsemen's Self-Help Pension Program; and to provide for related  
12 matters.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 4:183(A)(introductory paragraph) and (4)(b) and (B),  
15 216(C)(1)(introductory paragraph), (2), (4), and (5), 217(D)(1)(d) are hereby amended and  
16 reenacted to read as follows:

17 §183. Contracts between licensees and permittees licensed to race horses at race  
18 meetings conducted in the state

19 A. The monies to be distributed by a licensee as purses to permittees licensed  
20 to race horses in Louisiana and the monies to be distributed by a licensee to the

1 ~~Horsemen's Benevolent and Protective Association for the use and benefit of such~~  
2 ~~permittees, their employees, and others, for hospital and medical benefits and for the~~  
3 ~~administrative expenses in providing these benefits~~ Department of Public Safety  
4 and Corrections, public safety services, office of state police shall be and include:

5 \* \* \*

6 (4) The total of Paragraphs (1), (2), and (3) of this Subsection shall be  
7 allocated by the licensee in not less than the following percentages thereof:

8 \* \* \*

9 (b) Four percent thereof to the ~~Horsemen's Benevolent and Protective~~  
10 ~~Association for the use and benefit of such permittees, their employees, and others~~  
11 ~~as medical and hospital benefits with an amount not to exceed thirty percent~~  
12 ~~aforesaid of the commissions and amounts received by the Horsemen's Benevolent~~  
13 ~~and Protective Association to be used for administrative expenses and other costs~~  
14 ~~necessary to provide the benefits~~ Department of Public Safety and Corrections,  
15 public safety services, office of state police.

16 B. Monies due as purses to persons licensed to race horses at race meetings  
17 conducted in the state as a result of conditions outlined in R.S. 4:183(A) and the  
18 monies due to the ~~Horsemen's Benevolent and Protective Association pursuant to the~~  
19 ~~provisions of R.S. 4:183(A)(4)(b)~~ Department of Public Safety and Corrections,  
20 public safety services, office of state police shall be allocated and distributed during  
21 the race meeting at which earned.

22 (1) ~~In the event the amount distributed as purses is more than the amount~~  
23 ~~required by R.S. 4:183(A), the overpayment shall be carried forward to the next race~~  
24 ~~meeting conducted by the same association. It shall be carried on the association~~  
25 ~~books as an asset.~~

26 (2) ~~In the event the amount distributed as purses to persons licensed to race~~  
27 ~~horses at race meetings conducted in the state is less than the amount required by~~  
28 ~~R.S. 4:183(A), and more than an amount equal to the average daily purse distribution~~  
29 ~~at the race meeting at which generated, it shall be delivered to the Horsemen's~~

1 ~~Benevolent and Protective Association for further distribution to persons having~~  
 2 ~~earned monies during the meeting, in the direct proportion that the underpayment is~~  
 3 ~~to the monies earned by that person at that meeting. In the event the underpayment~~  
 4 ~~is less than an amount equal to the average daily purse distribution at that meeting,~~  
 5 ~~it shall be retained by the association in an interest bearing account to be used for~~  
 6 ~~purses at the next meeting conducted by that association. Interest earned on the~~  
 7 ~~account shall be added to the purse paid over and above the amount required to be~~  
 8 ~~paid as purses by R.S. 4:183(A).~~

9 \* \* \*

10 §216. Commissions on wagers

11 \* \* \*

12 C.(1) From such commissions, and except when the primary licensee is  
 13 conducting offtrack wagering at its racing facility, on all wagers made at an offtrack  
 14 wagering facility, the following amounts thereof shall be used for disbursement by  
 15 the licensee to supplement horsemen's purses or for payment to the Department of  
 16 Public Safety and Corrections, public safety services, office of state police in  
 17 accordance with the provisions of R.S. 4:217:

18 \* \* \*

19 (2) When the primary licensee is conducting offtrack wagering at its racing  
 20 facility, from such commissions, six and one-half percent of all daily wagers made  
 21 at the facility shall be used for disbursement by the licensee to supplement  
 22 horsemen's purses or for payment to the Department of Public Safety and  
 23 Corrections, public safety services, office of state police in accordance with the  
 24 provisions of R.S. 4:217.

25 \* \* \*

26 (4) In addition to the commissions provided for in Paragraphs (1) and (2) of  
 27 this Subsection, on exotic wagers on two or more horses placed at offtrack facilities,  
 28 the licensee shall disburse an amount equal to one and one-half percent of the  
 29 amount so wagered to be used to supplement horsemen's purses or for payment to



1 Section 2. R.S. 27:318(B)(4) and (C) and 361(B)(4)(a)(i) and (ii) are hereby amended  
2 and reenacted to read as follows:

3 §318. Distribution of device revenues; particular licensed establishments; pari-  
4 mutuel wagering facilities

5 \* \* \*

6 B. Revenues earned for purse supplements under Subsection A shall be  
7 disbursed, accounted for, and used as follows:

8 \* \* \*

9 (4) Four percent of all monies earned or authorized in accordance with the  
10 provisions of this Section ~~for purse supplements shall be paid the authorized~~  
11 ~~representative of the horsemen for the use and benefit of such persons and other~~  
12 ~~horsemen as medical and hospital benefits~~ shall be deposited to the credit of the  
13 Department of Public Safety and Corrections, public safety services, office of state  
14 police. ~~However, provisions of this Paragraph shall not apply if provisions of R.S.~~  
15 ~~4:183 as currently in effect require such a deduction from monies earned for purse~~  
16 ~~supplements under this Section, and provisions of this Paragraph would result in~~  
17 ~~duplication of designated funds for hospitalization for horsemen.~~

18 C. The division shall require all contracts between licensed device owners,  
19 operators, or service entities and owners of licensed establishments offering pari-  
20 mutuel wagering to be in writing and submitted to the division within ten days of  
21 signing. ~~The division shall promulgate rules and regulations necessary to require~~  
22 ~~correct reporting and timely use of those funds designated for use as horsemen's~~  
23 ~~purses.~~

24 \* \* \*

1 §361. Conduct of slot machine gaming; temporary conduct

2 \* \* \*

3 B. As a condition of licensing and to maintain continued authority for the  
4 conduct of slot machine gaming at the licensed eligible facility, the owner of the  
5 licensed eligible facility shall:

6 \* \* \*

7 (4) Contribute to the support of pari-mutuel wagering facilities in the state  
8 at large and the horse breeding industry by paying annually from the annual net slot  
9 machine proceeds received from slot machine gaming operations at the licensed  
10 eligible facility as provided in this Paragraph:

11 (a) The licensed eligible facility shall pay a fixed percentage of fifteen  
12 percent of the annual net slot machine proceeds received from slot machine gaming  
13 operations at the licensed eligible facility to supplement purses as follows:

14 (i) Seventy percent to supplement purses for thoroughbred races at that  
15 facility or any facility licensed by the Louisiana State Racing Commission to conduct  
16 additional or substitute races or race days as authorized by R.S. 4:147.1, thirty  
17 percent of which shall be for Louisiana-bred thoroughbred horses. Four percent of  
18 this amount shall ~~go to the Horsemen's Benevolent and Protective Association in~~  
19 ~~accordance with law~~ be deposited to the credit of the Department of Public Safety  
20 and Corrections, public safety services, office of state police.

21 (ii) Thirty percent to supplement purses for quarter horse races at that facility  
22 or any facility licensed by the Louisiana State Racing Commission to conduct  
23 additional or substitute races or race days as authorized by R.S. 4:147.1, sixty  
24 percent of which shall be for Louisiana-bred quarter horses. Four percent of this  
25 amount shall ~~go to the Horsemen's Benevolent and Protective Association in~~  
26 ~~accordance with law~~ be deposited to the credit of the Department of Public Safety  
27 and Corrections, public safety services, office of state police.

28 \* \* \*

1 Section 3. R.S. 4:183(A)(4)(c), 251, 251.1, and 252 are hereby repealed in their  
2 entirety.

3 Section 8. This Act shall become effective on July 1, 2010; if vetoed by the governor  
4 and subsequently approved by the legislature, this Act shall become effective on July 1,  
5 2010, or on the day following such approval by the legislature, whichever is later.

### 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)]

Tucker

HB No. 827

**Abstract:** Disburses revenues from horse racing related wagering to the La. State Police.

Present law requires a minimum of 50% of a licensee's commission of the gross pari-mutuel handle retained by the licensee from each race to be distributed as follows: 96% to the permittees as purses and 4% to the Horsemen's Benevolent and Protective Association (HBPA) for medical and hospital benefits.

Proposed law changes present law with respect to the disbursement of the 4% from HBPA to the La. State Police.

Present law provides that the monies designated for purses from wagers placed at offtrack wagering facilities on special accredited La.-bred maiden races shall be accounted for separately and shall be distributed as follows:

- (1) 15.10% shall be distributed to the La. Thoroughbred Breeders Assc. for breeder awards in accordance with a distribution formula established by the executive committee of that organization.
- (2) 41.45% shall be distributed to the host track for purse supplements for the special accredited La.-maiden thoroughbred races held at that track.
- (3) 41.45% shall be distributed to the tracks owned by the licensees of the offtrack wagering facility where the wagers are made for purse supplements for the special accredited La.-bred maiden thoroughbred races held at their respective tracks.
- (4) 2% shall be distributed to the HBPA for the use and benefit of such persons and other horsemen as medical and hospital benefits with an amount not to exceed 30% thereof to be used for administrative expenses and other costs necessary to provide the benefits.

Proposed law retains present law with the exception of the 2% of offtrack monies designated for purses. Instead of that 2% going to the HBPA, proposed law redirects that money to the La. State Police.

Present law requires that, out of 20% of the net video draw poker device revenue derived from operation of such devices at pari-mutuel wagering facilities, 4% shall be paid to horsemen for medical and hospital benefits. Furthermore, there may also be an additional 2% of the 20% of the net video draw poker device revenue being paid to the HBPA.

Proposed law redirects that 4% to the La. State Police and if there is an additional 2% being paid to the HBPA, this amount is also redirected to the La. State Police.

Present law, with respect to thoroughbred races, requires that out of 15% of the net slot machine proceeds derived from operation of such devices at racing facilities that 4% of 70% of purse supplements be paid to the HBPA. Furthermore, there may also be an additional 2% of the 70% of thoroughbred purse supplements being paid to the HBPA. Proposed law redirects this 4% to the La. State Police and if there is an additional 2% being paid to the HBPA, this amount is also redirected to the La. State Police. Present law, with respect to quarter horse races, requires that out of 15% of the net slot machine proceeds derived from operation of such devices at racing facilities that 4% of 30% of purse supplements be paid to the HBPA. Furthermore, there may also be an additional 2% of the 30% of quarter horse purse supplements being paid to the HBPA. Proposed law redirects this 4% to the La. State Police and if there is an additional 2% being paid to the HBPA, this amount is also redirected to the La. State Police.

Present law provides for the Horsemen's Workers' Compensation Insurance Program and the Horsemen's Self-Help Pension Program to be funded by revenues generated by present law.

Proposed law repeals present law.

Effective July 1, 2010.

(Amends R.S. 4:183(A)(intro. para.) and (4)(b) and (B), 217(D)(1)(d), and R.S. 27:318(B)(4) and (C) and 361(B)(4)(a)(i) and (ii); Repeals R.S. 4:183(A)(4)(c), 251, 251.1, and 252)