

2021 Regular Session

SENATE BILL NO. 202

BY SENATORS CORTEZ, JOHNS AND WARD

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

GAMING. Provides relative to the regulation of sports wagering. (See Act)

AN ACT

To amend and reenact R.S. 13:4721, R.S. 14:90.5(A), (B), and (C), R.S. 27:3(10), (15), (17), (19), and (24), 15(B)(1), 15.1, 29(F), (H), and (I), 29.2(D), 29.3(D), 44(10), 58(5), 65(B)(11), 205(11) and (12), 239.1, 353(2) and (5), 361(F), 364(A)(1)(c)(ii) and (5), 371(C), 372(B), and 375(D), and to enact R.S. 14:90(E) and 90.3(K) and R.S. 27:3(25) and (26) and 15(8)(c) and Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 27:601 through 613, relative to sports wagering; to provide for definitions; to require a license to conduct sports wagering; to provide relative to duties and powers of the Louisiana Gaming Control Board and gaming division in the office of state police; to provide for requirements and limitations on licensees and permittees; to authorize cash wagers; to require a sports lounge; to provide regarding a computerized wagering platform; to provide for limitations on wagering; to authorize self-service machines; to authorize online wagering through established wager accounts; to authorize the Louisiana Lottery to apply for a limited licence; to provide for record keeping; to provide for exceptions from criminal law; to provide for an effective date; and to provide for related matters.

1 Be it enacted by the Legislature of Louisiana:

2 Section 1. R.S. 27:3(10), (15), (17), (19), and (24), 15(B)(1), 15.1, 29(F), (H), and  
3 (I), 29.2(D), 29.3(D), 44(10), 58(5), 65(B)(11), 205(11) and (12), 239.1, 353(2) and (5),  
4 361(F), 364(A)(1)(c)(ii) and (5), 371(C), 372(B), and 375(D) are hereby amended and  
5 reenacted and R.S. 27:3(25) and (26) and 15(8)(c) and Chapter 10 of Title 27 of the  
6 Louisiana Revised Statutes of 1950, comprised of R.S. 27:601 through 613, is hereby  
7 enacted to read as follows:

8 §3. Definitions

9 For the purposes of this Title, the following terms have the following  
10 meanings, unless the context clearly indicates otherwise:

11 \* \* \*

12 (10) "Gaming supplier" means any person who supplies, sells or leases, or  
13 contracts to sell or lease, gaming devices, equipment, or supplies to a holder of a  
14 license as defined in R.S. 27:44(~~14~~), R.S. 27:353(~~5~~), **or 602**, or to the casino gaming  
15 operator. **"Gaming supplier" shall also include any person who supplies**  
16 **geolocation, geofencing, or patron identification services to the holder of a**  
17 **license as defined in R.S. 27:44, 353, or 602, or to the gaming control operator.**

18 \* \* \*

19 (15) "Key gaming employee" or "managerial employee" means an employee,  
20 agent, or representative of the casino gaming operator, or of a holder of a license as  
21 defined in R.S. 27:44(~~14~~), R.S. 27:353(~~5~~), **or 602**, or a permittee whether or not a  
22 gaming employee who, in the opinion of the board or division, holds or exercises  
23 critical or significant management or operating authority over the casino gaming  
24 operator, or of a holder of a license as defined in R.S. 27:44(~~14~~), R.S. 27:353(~~5~~), **or**  
25 **602**, or a permittee.

26 \* \* \*

27 (17) "Non-key gaming employee" means a person employed in the operation  
28 of a gaming activity and includes employees empowered to make discretionary  
29 decisions that regulate gaming activities, and any individual whose employment

1 duties require or authorize access to designated gaming areas of a licensee as defined  
2 in R.S. 27:44(13), ~~R.S. 27:353(6)~~, **or 602**, or the official gaming establishment, other  
3 than non-gaming equipment maintenance personnel, cleaning personnel, waiters,  
4 waitresses, and secretaries.

5 \* \* \*

6 (19) "Non-gaming supplier" means any person who sells, leases, or otherwise  
7 distributes, directly or indirectly, goods or services other than gaming equipment and  
8 supplies to the holder of a license, as defined in R.S. 27:44(14), ~~R.S. 27:353(5)~~, **or**  
9 **602**, or the casino gaming operator.

10 \* \* \*

11 (24) **"Sports wagering platform provider" means a suitable business or**  
12 **legal entity that holds a permit from the board to engage in the operation of a**  
13 **sports book on behalf of a licensee.**

14 (25) **"Sports wagering platform provider permit" means the permit of**  
15 **a sports wagering platform provider.**

16 (26) "Suitable", "suitability", or "suitability requirements" means the criteria  
17 provided for in R.S. 27:28.

18 \* \* \*

19 §15. Board's authority; responsibilities

20 \* \* \*

21 B. The board shall:

22 (1) Have all regulatory authority, control, and jurisdiction, including  
23 investigation, licensing, and enforcement, and all power incidental or necessary to  
24 such regulatory authority, control, and jurisdiction over all aspects of gaming  
25 activities and operations as authorized pursuant to the provisions of the Louisiana  
26 Riverboat Economic Development and Gaming Control Act, the Louisiana  
27 Economic Development and Gaming Corporation Act, the Video Draw Poker  
28 Devices Control Law, ~~and the Louisiana Fantasy Sports Contests Act~~, **and the**  
29 **Louisiana Sports Wagering Act**, except as otherwise specified in this Title. Further,

1 the board shall have all regulatory, enforcement, and supervisory authority which  
2 exists in the state as to gaming on Indian lands as provided in the provisions of Act  
3 No. 888 of the 1990 Regular Session of the Legislature and Act No. 817 of the 1993  
4 Regular Session of the Legislature.

5 \* \* \*

6 (8)

7 \* \* \*

8 (c) Adopt, pursuant to the Administrative Procedure Act and as  
9 specifically provided for in R.S. 27:603, all rules necessary to implement,  
10 administer, and regulate sports wagering as authorized by Chapter 10 of this  
11 Title.

12 \* \* \*

13 §15.1. Sports wagering

14 ~~A. In the event of the legalization of sports wagering in any parish as a result~~  
15 ~~of the proposition election held on November 3, 2020, the~~ **The** Louisiana Gaming  
16 Control Board shall have all regulatory authority, control, and jurisdiction, including  
17 investigation, licensing, and enforcement, and all power incidental or necessary to  
18 such regulatory authority, control, and jurisdiction over all aspects of sports  
19 wagering activities and operations, except as otherwise specified in this Title.

20 ~~B. For purposes of this Section, "sports wagering" shall be defined as the~~  
21 ~~business of accepting wagers on any sports event or sports contest by any system or~~  
22 ~~method of wagering.~~

23 \* \* \*

24 §29. Permit required; terms; disposition of fees

25 \* \* \*

26 F. The term of a permit issued pursuant to the provisions of R.S. 27:29.1,  
27 29.2, 29.3, ~~and 86, and 623~~ shall be for five years.

28 \* \* \*

29 H. The division shall collect all fees assessed pursuant to the provisions of

1 R.S. 27:29.1, 29.2, 29.3, ~~and~~ 29.4, **and 623**. The division shall deposit the fees in  
2 accordance with the provisions of R.S. 27:92.

3 I. The failure to remain current in the payment of any fee assessed pursuant  
4 to the provisions of R.S. 27:29.1, 29.2, 29.3, ~~or~~ 29.4, **or 623** shall result in the  
5 suspension of the permit.

6 \* \* \*

7 §29.2. Gaming supplier permits

8 \* \* \*

9 D. A supplier shall furnish to the board a list of any gaming equipment and  
10 supplies offered by the supplier for sale or lease in connection with games authorized  
11 under this Title. A supplier shall keep books and records for the furnishing of gaming  
12 equipment and supplies to gaming operations separate and distinct from any other  
13 business that the supplier might operate. A supplier shall file a quarterly return with  
14 the board listing all sales and leases. A supplier shall permanently affix its name to  
15 all its gaming devices, equipment, and supplies for gaming operations unless  
16 otherwise authorized by the board. Any supplier's gaming devices, equipment, or  
17 supplies which are used by any person in unauthorized gaming operations shall be  
18 forfeited to the board. The holder of a license as defined in R.S. 27:44~~(14)~~, ~~R.S.~~  
19 ~~27:353(5)~~, **and 602**, and the casino gaming operator may own its own gaming  
20 devices, equipment, and supplies. Each supplier; ~~of~~ the holder of a license as defined  
21 in R.S. 27:44~~(14)~~, ~~R.S.~~ 27:353~~(5)~~, **and 602**, and the casino operator shall file an  
22 annual report with the board listing its inventories of gaming devices, equipment, and  
23 supplies.

24 \* \* \*

25 §29.3. Non-gaming supplier permit

26 \* \* \*

27 D. The holder of a license as defined in R.S. 27:44, ~~or~~ 353, **or 602**, or the  
28 casino gaming operator shall ensure that all persons required to be licensed or  
29 permitted, or persons performing regulated tasks who are supplied by contractual

1 agreement or otherwise, are properly licensed or permitted pursuant to this Title.

2 \* \* \*

3 §44. Definitions

4 When used in this Chapter, the following terms shall mean:

5 \* \* \*

6 (10)(a) "Game" means any banking or percentage game which is played with  
7 cards, dice, or any electronic, electrical, or mechanical device or machine for money,  
8 property, or any thing of value. "Game" does not include a lottery, bingo, pull tabs,  
9 raffles, electronic video bingo, cable television bingo, dog race wagering, or any  
10 wagering on any type of sports event, including but not limited to football,  
11 basketball, baseball, hockey, boxing, tennis, wrestling, jai alai, or other sports contest  
12 or event. ~~Game~~ **"Game"** shall also include racehorse wagering.

13 **(b) Notwithstanding any provision of Subparagraph (a) of this**  
14 **Paragraph to the contrary, "game" shall include wagering on certain sports**  
15 **events through its sports book for a licensee who is also licensed by the board**  
16 **in accordance with Chapter 10 of this Title.**

17 \* \* \*

18 §58. Division responsibilities

19 The division shall:

20 \* \* \*

21 (5)(a) Require all licensees to utilize a cashless wagering system, except for  
22 racehorse wagering and the play of slot machines, whereby all players' money is  
23 converted to tokens, electronic cards, or chips used only for wagering in the gaming  
24 establishment.

25 **(b) Notwithstanding any provision of Subparagraph (a) of this**  
26 **Paragraph to the contrary, a licensee may accept cash wagers in its sports book**  
27 **if it is also licensed by the board in accordance with Chapter 10 of this Title.**

28 \* \* \*

29 §65. Licenses to conduct gaming activities upon riverboats; limitations

\* \* \*

B. Gaming shall be conducted aboard riverboats, subject to the following requirements:

\* \* \*

(11)(a) Except for racehorse wagering and the play of slot machines, gaming wagers may be made only with tokens, chips, vouchers, coupons, or electronic cards issued by the licensee. Such tokens, chips, vouchers, coupons, or electronic cards may be used while aboard the riverboat only for the purpose of making wagers on gaming games. Electronic cards may be used which are affixed with a magnetic storage media, a "smart card" or those containing an integrated circuit chip, but excluding credit cards issued by any other entity or institution or cards which automatically withdraw funds from a credit, savings, or checking account held at a depository institution as defined by Section 3 of the Federal Deposit Insurance Act, which includes any credit union.

**(b) Notwithstanding any provision of Subparagraph (a) of this Paragraph to the contrary, sports wagers may be made in cash if the riverboat is also licensed by the board for a sports book in accordance with Chapter 10 of this Title.**

\* \* \*

§205. Definitions

When used in this Chapter, the following terms have these meanings:

\* \* \*

(11)(a) "Game" means any banking or percentage game located exclusively within an official gaming establishment which is played with cards, dice, or any electronic, electrical, or mechanical device or machine for money, property, or any thing of value. ~~Game~~ **"Game"** does not include lottery, bingo, charitable games, raffles, electronic video bingo, pull tabs, cable television bingo, wagering on dog or horse races, sports betting, or wagering on any type of sports event, inclusive but not limited to football, basketball, baseball, hockey, boxing, tennis, wrestling, jai alai,

1 or other sports contest or event.

2 (b) Notwithstanding any provision of Subparagraph (a) of this  
3 Paragraph to the contrary, "game" shall include sports betting through its  
4 sports book if the casino gaming operator is licensed by the board in accordance  
5 with Chapter 10 of this Title.

6 (12)(a) "Gaming device" means any equipment or mechanical,  
7 electromechanical, or electronic contrivance, component, or machine used directly  
8 or indirectly in connection with gaming or any game which affects the result of a  
9 wager by determining win or loss. The term includes a system for processing  
10 information which can alter the normal criteria of random selection, which affects  
11 the operation of any game, or which determines the outcome of a game. The term  
12 does not include a system or device which affects a game solely by stopping its  
13 operation so that the outcome remains undetermined.

14 (b) Notwithstanding any provision of Subparagraph (a) of this  
15 Paragraph to the contrary, "gaming device" shall also include a sports  
16 wagering mechanism as that term is defined in R.S. 27:602 if the casino gaming  
17 operator is also licensed by the board for a sports book in accordance with  
18 Chapter 10 of this Title.

19 \* \* \*

20 §239.1. Wagering at the official gaming establishment

21 ~~Wagering~~ A. Except as provided in Subsection B of this Section, wagering  
22 at the official gaming establishment may be made with tokens, chips, vouchers,  
23 coupons, or electronic cards issued by the casino gaming operator or an approved  
24 casino manager acting on behalf of the casino gaming operator. Electronic cards may  
25 be used which are affixed with a magnetic storage media, a "smart card" or those  
26 containing an integrated circuit chip, but excluding credit cards issued by any other  
27 entity or institution or cards which automatically withdraw funds from a credit,  
28 savings, or checking account held at a depository institution as defined by Section  
29 3 of the Federal Deposit Insurance Act, which includes any credit union.





1 containing an integrated circuit chip, but excluding credit cards issued by any other  
2 entity or institution or cards which automatically withdraw funds from a credit,  
3 savings, or checking account held at a depository institution as defined by Section  
4 3 of the Federal Deposit Insurance Act, which includes any credit union.

5 **(2) Notwithstanding any provision of Paragraph (1) of this Subsection to**  
6 **the contrary, sports wagers at the eligible facility may be made in cash or**  
7 **through a patron's verified sports wagering account if the holder of a license as**  
8 **defined in R.S. 27:353 is also issued a license to operate a sports book by the**  
9 **board in accordance with Chapter 10 of this Title.**

10 \* \* \*

11 §364. Gaming Control Board; powers and duties

12 A. The board shall:

13 (1)

14 \* \* \*

15 (c) Such rules may include:

16 \* \* \*

17 (ii) Requiring certain minimum physical security standards be observed in  
18 designated ~~slot machine~~ gaming areas.

19 \* \* \*

20 (5) Approve the location, plans, and construction of the designated ~~slot~~  
21 ~~machine~~ gaming area in an eligible facility.

22 \* \* \*

23 §371. Prohibition on operation of video draw poker devices; prohibition on any  
24 other type of game

25 \* \* \*

26 C.**(1)** Nothing in this Chapter shall be construed to permit the operation or  
27 play of any type of game the play of which requires the participation of an employee  
28 of the licensee.

29 **(2) Notwithstanding any provision of Paragraph (1) of this Subsection to**

1 the contrary, participation of an employee of the licensee may be permitted if  
2 the licensee is also issued a license to operate a sports book by the board in  
3 accordance with Chapter 10 of this Title and the employee's participation is in  
4 compliance and regarding activities related to operations regulated by that  
5 Chapter.

6 §372. Slot machine gaming **Gaming** area limitations

7 \* \* \*

8 B.(1) No gaming devices other than slot machines and authorized pari-mutuel  
9 wagering devices and equipment shall be in the designated ~~slot machine~~ gaming  
10 area.

11 (2) Notwithstanding any provision of Paragraph (1) of this Subsection to  
12 the contrary, sports wagering mechanisms as that term is defined in R.S. 27:602  
13 may also be authorized in the designated gaming area if the holder of a license  
14 as defined in R.S. 27:353 is also issued a license to operate a sports book by the  
15 board in accordance with Chapter 10 of this Title.

16 \* \* \*

17 §375. Crimes and penalties; false statements; unauthorized slot machines; skimming  
18 of slot machine proceeds; payroll check cashing; gambling devices

19 \* \* \*

20 D. Any owner of an eligible facility who has been granted a license to operate  
21 slot machine gaming who cashes or accepts for cashing or permits any employee or  
22 other person to cash or accept for cashing an identifiable employee payroll check in  
23 the designated ~~slot machine~~ gaming area shall, upon conviction, be imprisoned for  
24 not more than six months or fined not more than five thousand dollars, or both.

25 \* \* \*

26 CHAPTER 10. SPORTS WAGERING

27 PART I. GENERAL PROVISIONS

28 §601. Title and citation; privilege

29 A. This Chapter shall be cited and referred to as the "Louisiana Sports

1        Wagering Act".

2                B. Any license, permit, approval, or thing obtained or issued pursuant  
3 to the provisions of this Chapter is expressly declared by the legislature to be a  
4 pure and absolute revokable privilege and not a right, property or otherwise,  
5 under the constitution of the United States or of the state of Louisiana. Further,  
6 the legislature declares that no holder of any license or permit acquires any  
7 vested interest or right therein or thereunder.

8        §602. Definitions

9                For purposes of this Chapter, the following terms shall have the  
10 following meanings ascribed to them unless the context clearly indicates  
11 otherwise:

12                (1) "Anti-money laundering standards" or "AML" means the  
13 requirements and guidelines provided in the federal Bank Secrecy Act of 1970,  
14 as amended, and the Anti-Money Laundering Act of 2020, as amended, for the  
15 prevention and detection of money laundering and the financing of terrorism.

16                (2) "Applicant" means a person, business, or legal entity who has  
17 submitted an application to the board seeking a license or permit, or the  
18 renewal of a license or permit.

19                (3) "Application" means the forms and schedules prescribed by the  
20 board upon which an applicant seeks a license or permit, or the renewal of a  
21 license or permit. An application shall also include any other information or fee  
22 required by the board to be submitted with an application such as disclosure  
23 statements, financial statements, and any type of fees.

24                (4) "Board" means the Louisiana Gaming Control Board, as established  
25 by R.S. 27:11.

26                (5) "Business or legal entity" shall have the same meaning as that term  
27 is defined in R.S. 27:3.

28                (6) "Distributor" means a suitable business or legal entity that is  
29 domiciled in this state and markets or buys, sells, leases, services, or repairs

1 sports wagering mechanisms in this state.

2 (7) "Division" shall have the same meaning as that term is defined in  
3 R.S. 27:3.

4 (8) "Electronic sports wagering" means sports wagering via a sports  
5 wagering mechanism or through a website or mobile application.

6 (9) "Louisiana State Racing Commission" means the commission  
7 established in R.S. 4:144.

8 (10) "License" or "licensee" means a license or authorization to operate  
9 a sports book in this state in compliance with the provisions of this Chapter.

10 (11) "Mobile application" means an application on a mobile phone or  
11 other device through which a player is able to place a wager with an operator  
12 on a sports event and receive a credit on their sports wagering account.

13 (12) "Net gaming proceeds" means the amount equal to the total gross  
14 revenue of all wagers placed by patrons less the total amount of all winnings  
15 paid out to patrons.

16 (13) "Operator" or "sports wagering operator" means the entity that  
17 actually books a sports wager. The operator may be:

18 (a) The licensee who manages and operates a sports book itself.

19 (b) The licensee's contracted sports wagering platform provider, in  
20 accordance with the scope of that contract, when the licensee chooses to contract  
21 the management and operation of all or a portion of its sports book  
22 line-of-business with a platform provider.

23 (14) "Patron" or "player" means an individual who places a wager on  
24 a sports event.

25 (15) "Permit" has the same meaning as that term is defined in R.S. 27:3.

26 (16) "Permittee" has the same meaning as that term is defined in R.S.  
27 27:3.

28 (17) "Person" has the same meaning as that term is defined in R.S. 27:3.

29 (18) "Retail establishment" means a retail business that has a contract

1 with an operator and is permitted by the board for the location of a sports  
2 wagering mechanism.

3 (19) "Sports event" means any professional sport or athletic event, any  
4 collegiate sport or athletic event, any Olympic or international sports  
5 competition event, or any other special event or competition of relative skill as  
6 authorized by the board to be a sports event for purposes of this Chapter.

7 "Sports event" shall not include high school sports, youth events, any  
8 international sports events where the majority of the athletes are under the age  
9 of eighteen years old, electronic sports, competitive video games, fantasy sports  
10 contests as provided in Chapter 6 of this Title, and any event prohibited by law.

11 (20) "Sports wager" or "sports bet" means a sum of money or  
12 representation of value risked by a player on an occurrence associated with a  
13 sports event for which the outcome is uncertain.

14 (21) "Sports wagering platform" or "sports book" means an integrated  
15 system of hardware, software, or applications, including mobile applications  
16 and servers, through which an operator conducts the business of offering for  
17 play wagering conducted in accordance with this Chapter on a sports event or  
18 on portions of a sports event or on the individual performance or statistics of  
19 athletes in a sports event or a combination of sports events, by any system or  
20 method of wagering. The term includes but is not limited to single-game bets,  
21 teaser bets, parlay bets, over-under bets, moneyline bets, pools, exchange  
22 wagering, in-game wagering, in-play bets, proposition bets, parlays, and  
23 straight bets.

24 (22) "Sports wagering account" means an electronic financial record  
25 established with an operator for an individual patron in which the patron may  
26 deposit and withdraw funds for sports wagering and other authorized  
27 purchases and to which the operator may credit winnings or other amounts due  
28 to that patron or authorized by that patron.

29 (23) "Sports wagering mechanism" or "kiosk" means a board approved

1 self-service mechanical, electrical, or computerized terminal, device, apparatus,  
2 or piece of equipment that is directly tied to an approved sports wagering  
3 platform provider's central system which allows a patron to place a sports  
4 wager on a licensee's premises or at a permitted retail establishment. "Sports  
5 wagering mechanism" does not include a personal computer, mobile phone, or  
6 other device owned and used by a player to wager on a sports event.

7 (24) "Sports wagering service provider" means a suitable business or  
8 legal entity that holds a permit from the board to engage in support services for  
9 the operation of a sports book on behalf of a licensee.

10 §603. Gaming Control Board; state police; duties and powers

11 A.(1) The board shall perform the duties and functions as authorized by  
12 this Chapter and shall possess authority, control, and jurisdiction and all power  
13 incidental and necessary thereto with respect to the regulation of sports  
14 wagering as provided by R.S. 27:15.1.

15 (2)(a) In accordance with the Administrative Procedure Act, the board  
16 shall:

17 (i) Develop qualifications and standards and a process and procedure for  
18 the licensure of sports wagering entities as well as the renewal, suspension, and  
19 revocation of a license.

20 (ii) Develop qualifications and standards and a procedure and process  
21 for approval and permitting of sports wagering platform providers, sports  
22 wagering service providers, distributors, manufacturers, vendors, suppliers,  
23 personnel, and retail establishments as well as the renewal, suspension, and  
24 revocation of a permit.

25 (iii) Promulgate rules, forms, processes, and procedures necessary to  
26 implement, administer, and regulate sports wagering as authorized by this  
27 Chapter.

28 (iv) Establish standards for the amount of reserves required to be  
29 maintained by an operator and the allowable form of those reserves, including

1 standards for initial reserves for a newly licensed sports wagering establishment  
2 or newly permitted sports wagering platform provider.

3 (v) Establish guidelines for the acceptance of wagers on a series of sports  
4 events by an operator.

5 (vi) Determine the maximum number and amount of wagers which may  
6 be accepted by an operator from any one patron on any one sports event.

7 (vii) Prohibit an operator from unilaterally rescinding a wager unless  
8 approved by the board to do so.

9 (viii) For cash wagers placed in-person or via a sports wagering  
10 mechanism, establish standards for the type of wagering tickets which may be  
11 used, information required to be printed on a ticket, and methods for issuing  
12 tickets.

13 (ix) Establish the method of accounting to be used by operators, the types  
14 of records required to be kept, and the length of time records shall be retained.

15 (x) Require operators to comply with AML standards and practices.

16 (xi) Provide standards for the use of credit and checks by players and  
17 other protections for players.

18 (xii) Establish internal controls for all aspects of electronic wagering,  
19 including procedures for system integrity, system security, operations,  
20 accounting, and reporting of problem gamblers.

21 (xiii) Establish operational controls for server-based gaming systems,  
22 software and hardware utilized on electronic sports wagering, including but not  
23 limited to appearance, functionality, contents, collection, storage, and retention  
24 of data and security.

25 (xiv) Establish operational controls for sports wagering accounts,  
26 including but not limited to procedures for establishment and closure of an  
27 online account, funding of withdrawal of funds from an online account, and  
28 generation of an account statement for a patron's online account.

29 (xv) Establish standards for servers and other equipment used to accept



1 wagers by operators and procedures for inspection and for addressing defective  
2 or malfunctioning devices, equipment, and accessories related to sports  
3 wagering.

4 (xvi) Establish standards and a process for approval for permitting retail  
5 establishments for the hosting of sports wagering mechanisms.

6 (xvii) Require that a dollar amount equal to or greater than ten percent  
7 of all wagers handled by an operator on any single sports event be on deposit in  
8 a Louisiana chartered bank and that a dollar amount equal to or greater than  
9 ten percent of the total amount held by an operator in patron's sports wagering  
10 accounts be on deposit in a Louisiana chartered bank.

11 (b) For purposes of expeditious implementation of the provisions of this  
12 Chapter, the promulgation of the initial administrative rules pertaining to this  
13 Chapter shall be deemed to constitute a matter of imminent peril to public  
14 health, safety, and welfare as provided in R.S. 49:953(B).

15 B. The board shall follow its regulatory processes for dispute resolution  
16 for disputes arising from sports wagering.

17 C.(1) The gaming division of the office of state police shall, at all times  
18 deemed appropriate by the board, be charged with inspecting and ensuring  
19 compliance with all the requirements of this Chapter.

20 (2) The gaming division of the office of state police may be charged by  
21 the board with any other tasks deemed necessary to the regulation of sports  
22 wagering in this state.

### 23 §604. Reporting

24 The board, following consultation with the licensees, shall annually cause  
25 a report to be prepared and distributed to the legislature on the impact of sports  
26 wagering on sports events, on problem gamblers, and on gambling addiction in  
27 the state. The report shall be prepared by a private organization or entity with  
28 expertise in serving the needs of persons with gambling addictions, which  
29 organization or entity shall be selected by the board. The report shall be

1 prepared and distributed under the supervision, of and in coordination with, the  
2 board. Any costs associated with the preparation and distribution of the report  
3 shall be borne by the licensees. The board shall also report annually to the  
4 legislature on the effectiveness of the statutory and regulatory controls in place  
5 to ensure the integrity of gaming operations, including mobile wagering.

6 PART II. LICENSEE, PLATFORM PROVIDERS, AND OTHER PARTIES

7 §605. License; limited; requirements; contract with service provider

8 A.(1) No person, business, or legal entity shall operate a sports book  
9 without first being licensed by the board.

10 (2) The license to engage in the business of operating a sports book shall  
11 be in addition to any other license required by law.

12 B.(1) In addition to the license for the Louisiana Lottery Corporation,  
13 the board shall issue no more than twenty licenses to operate a sports book. The  
14 board shall first consider applications for licensing from the following:

15 (a) The casino gaming operator as defined in R.S. 27:205 and provided  
16 for in Chapter 5 of this Title.

17 (b) The holder of an active license as defined in R.S. 27:44 and provided  
18 for in Chapter 4 of this Title.

19 (c) The holder of an active license as defined in R.S. 27:353 and provided  
20 for in Chapter 7 of this Title, provided the holder of the license also has the  
21 approval of the Louisiana State Racing Commission to apply to be licensed for  
22 a sports book.

23 (2)(a) If any entity identified in Paragraph (1) of this Subsection does not  
24 have an active license or elects not to apply for a license or fails to submit a  
25 completed application to the board prior to January 1, 2022, it shall not be  
26 considered for a license. The board may consider for the remaining licenses,  
27 applications from:

28 (i) Licensed establishments as defined in R.S. 27:402 and provided for in  
29 Chapter 8 of this Title. Any licensed establishment that is also licensed by the

1 Louisiana State Racing Commission shall have the commission's approval to  
2 apply to be licensed for a sports book.

3 (ii) Operators as defined in R.S. 27:302 and provided for in Chapter 6 of  
4 this Title.

5 (b) If the number of applications received by the board exceeds the  
6 number of licenses available, the board shall provide for a concealed bid process  
7 and award the available licenses to suitable bidders, in accordance with the  
8 board's ranking of the bids by greatest potential for revenue generation for the  
9 state.

10 C.(1) In addition to the licenses authorized by Subsection B of this  
11 Section, the board may authorize an additional license for the Louisiana Lottery  
12 Corporation as provided for in Subtitle XI of Title 47 of the Louisiana Revised  
13 Statutes of 1950.

14 (2) Any license issued to the Louisiana Lottery Corporation shall be  
15 limited to electronic wagering and any sports wagering machines, website, and  
16 mobile applications utilized to conduct sports wagering on their behalf shall be  
17 branded as the Louisiana Lottery.

18 D. The board shall only award a license to operate a sports book to an  
19 applicant determined by the board to be suitable. In addition to the standards  
20 provided in R.S. 27:28, in determining an applicant's suitability as a licensee,  
21 the board may request from an applicant, and consider as a factor in the  
22 determination, any or all of the following information items:

23 (1) Whether the applicant has adequate capitalization and the financial  
24 ability and the means to develop, construct, operate, and maintain  
25 infrastructure to support sports wagering activities and operations in  
26 compliance with this Chapter and any administrative rules promulgated by the  
27 board.

28 (2) Whether the applicant has the financial ability to purchase and  
29 maintain adequate liability and casualty insurance and to provide an adequate

1 surety bond.

2 (3) Whether the applicant has adequate capitalization and the financial  
3 ability to responsibly pay its secured and unsecured debts in accordance with  
4 its financing agreements and other contractual obligations.

5 (4) Whether the applicant has a history of material noncompliance with  
6 licensing requirements or any other regulatory requirements in the state or in  
7 any other jurisdiction, where the noncompliance resulted in enforcement action  
8 by the person with jurisdiction over the applicant.

9 (5) Whether the applicant has filed, or had filed against it, a proceeding  
10 for bankruptcy or has ever been involved in any formal process to adjust, defer,  
11 suspend, or otherwise negotiate the payment of any debt.

12 (6) Whether or not at the time of the application, the applicant is a  
13 defendant in litigation involving the integrity of its business practices.

14 E. Except for the Louisiana Lottery Corporation, each applicant shall  
15 submit as part of its application a detailed plan of design of its sports book  
16 lounge and other areas of its establishment where sports wagering mechanisms  
17 may be placed. The board shall only award a license to an applicant whose  
18 detailed plan of design the board finds acceptable.

19 F. In addition to the license for the Louisiana Lottery Corporation, the  
20 board shall award not more than twenty licenses on applications that meet the  
21 provisions of this Section and all other qualifications and standards as  
22 determined by the board.

23 G.(1) A licensee may operate the sports book itself or contract for  
24 operation of its onsite or other retail operations or mobile operations with a  
25 sports wagering platform provider. Only a licensee or its sports wagering  
26 platform provider may process, accept, offer, or solicit sports wagers.

27 (2) A licensee shall be responsible for the conduct of its sports wagering  
28 platform provider.

29 H. Prior to beginning operations, an operator shall install and thereafter

1 maintain a computerized bookmaking system, herein referred to as a sports  
2 wagering platform, that meets the specifications required by law and by rule  
3 and approved by the board.

4 §606. Sports wagering platform provider

5 A.(1) The board shall issue a sports wagering platform provider permit  
6 to suitable persons who desire to contract with a licensee to manage or operate  
7 all or a portion of a licensee's sports book line-of-business. A person shall not  
8 manage or operate all or a portion of a licensee's sports book unless it possesses  
9 a valid permit.

10 (2) In determining suitability of an applicant as a sports wagering  
11 platform provider, the board may also request from an applicant and consider  
12 as a factor any of the information items listed in R.S. 27:605(C) that it deems  
13 relevant to making the determination.

14 B. (1) A sports wagering platform provider shall contract with a licensee  
15 to provide sports wagering services. The terms of the contract shall be approved  
16 by the board prior to the platform provider engaging in sports wagering  
17 activities on behalf of the licensee.

18 (2) The contract between the licensee and the sports wagering platform  
19 provider shall provide for access by the division and the board to any  
20 information maintained by the platform provider for verification of compliance  
21 with this Chapter.

22 C. A sports wagering platform provider shall use no more than one  
23 sports wagering platform to offer, conduct, or operate a sports book on behalf  
24 of the licensee.

25 D. A sports wagering platform provider shall keep books and records for  
26 the management and operation of sports wagering as authorized by this  
27 Chapter and for services for which it is contracted by a licensee. The keeping  
28 of books and records shall be separate and distinct from any other business the  
29 sports wagering platform provider might operate. A sports wagering platform

1 provider shall file quarterly returns with the board listing all of its contracts  
2 and services related to sports wagering authorized under this Title.

3 E.(1) The board shall require that any provider of a sports wagering  
4 platform operating in this state have an information technology division of  
5 employees or independent contractors, which, at a minimum, shall be comprised  
6 of an information technology department manager and a sports wagering  
7 mechanism manager who may be the same person.

8 (2) The information technology department manager shall be responsible  
9 for all data as well as the quality, reliability, and accuracy of all sports wagering  
10 mechanisms and sports wagering equipment and any other software used by the  
11 licensed sports wagering establishment.

12 (3) The sports wagering mechanism manager shall be responsible for  
13 ensuring the proper operation and integrity of any sports wagering mechanism  
14 or sports wagering equipment, and for reviewing all reports of suspicious  
15 behavior.

16 F. The provider of a sports wagering platform shall provide the division  
17 with a readily available point of contact to ensure compliance with the  
18 requirements of this Chapter.

19 G. All servers necessary for the placement or resolution of wagers, other  
20 than backup servers, shall be physically located in Louisiana.

21 H. Any sports wagering platform utilized for electronic wagering shall  
22 have a component of its design to reasonably verify that the person attempting  
23 to place the wager is:

24 (1) At least twenty-one years of age.

25 (2) Physically located in the state and not physically located in a parish  
26 that has not approved a proposition to authorize sports wagering at the time the  
27 wager is initiated or placed.

28 (3) Not a person who is otherwise prohibited from wagering with the  
29 operator through law, rule, policy of the operator, self-exclusion, or pursuant

1 to R.S. 27:27.1.

2 I. A sports wagering platform provider shall be responsible for the  
3 conduct of any sports wagering service providers with whom it contracts.

4 §607. Sports wagering service providers

5 A. The board shall issue a sports wagering service provider permit to  
6 suitable persons who desire to contract with an operator to provide support  
7 services fo a licensee's sports book line-of-business. A person shall not provide  
8 support services to an operator's sports book unless it possesses a valid permit.

9 B. (1) A sports wagering service provider shall contract with an operator  
10 to provide sports wagering services. The terms of the contract shall be approved  
11 by the board prior to the service provider engaging in sports wagering activities  
12 on behalf of the operator.

13 (2) The contract between the operator and the sports wagering service  
14 provider shall provide for access by the division and the board to any  
15 information maintained by the service provider for verification of compliance  
16 with this Chapter.

17 C. A sports wagering service provider shall keep books and records for  
18 the management of sports wagering as authorized by this Chapter and for  
19 services for which it is contracted by an operator. The keeping of books and  
20 records shall be separate and distinct from any other business the sports  
21 wagering service provider might operate. A sports wagering service provider  
22 shall file quarterly returns with the board listing all of its contracts and services  
23 related to sports wagering authorized under this Title.

24 §608. Retail establishments

25 A. The board shall permit retail establishments for the hosting of sports  
26 wagering mechanisms. An eligible retail establishment shall include an  
27 establishment that has a Class A-General retail permit or a Class A-Restaurant  
28 permit as defined in Part II of Chapter 1 or Part II of Chapter 2 of Title 26 of  
29 the Louisiana Revised Statutes of 1950, for the sale of alcoholic beverages for

1 on-premises consumption and other establishments as determined by the board.

2 A retail establishment eligible for licensing shall not include any premises leased  
3 to or utilized by a bonafide nonprofit organization for the conducting of  
4 charitable gaming nor any convenience store, quick-stop, food-mart, service  
5 station, grocery store, barber shop, laundromat or washateria, package or  
6 discount liquor or cigarette establishment, movie theater, or beauty shop and  
7 other establishments as determined by the board.

8 B.(1) A permitted retail establishment may enter an agreement with an  
9 operator or sports wagering service provider or distributor on the operator's  
10 behalf to host a sports wagering mechanism.

11 (2) The terms of the agreement shall be approved by the board and any  
12 such agreement shall not have an original term or any renewal terms of more  
13 than one year.

### 14 PART III. WAGERING

#### 15 §609. Operators; sports lounge required; responsibilities; pooling

16 A.(1) An operator may conduct sports wagering in-person or via a sports  
17 wagering mechanism or online through a website or mobile application.

18 (2) Each licensee shall house its sports book in a sports wagering lounge  
19 on its premises which shall be restricted to patrons who are twenty-one years  
20 of age or older and shall conform to all requirements concerning square footage,  
21 design, equipment, security measures, and related matters which the board shall  
22 prescribe by rule.

23 (3) Notwithstanding the provisions of Paragraphs (1) and (2) of this  
24 Subsection, the Louisiana Lottery Corporation shall only conduct sports  
25 wagering via a sports wagering mechanism at an approved retail establishment  
26 and online through a website or mobile application.

27 B. An operator shall establish and display the odds at which wagers may  
28 be placed on sports events. No operator shall accept a wager in-person, via a  
29 sports wagering mechanism, or through a website or mobile application unless



1 the wagering proposition is posted by electronic or manual means.

2 C. An operator shall adopt comprehensive rules which shall be approved  
3 by the board governing sports wagering transactions with its patrons. The rules  
4 shall specify the amount to be paid on winning wagers and the effect of schedule  
5 changes. The rules, together with any other information the board deems  
6 appropriate, shall be conspicuously displayed in the establishment, posted  
7 electronically on any sports wagering mechanism, website, or mobile  
8 application, and included in the terms and conditions of the sports wagering  
9 account system.

10 D. An operator shall maintain records of sports wagering activities and  
11 operations in accordance with rules and regulations of the board and follow  
12 AML practices in day-to-day operations of its business.

13 E. Each operator shall designate one or more key employees who shall  
14 be responsible for the operation of the sports book. At least one key employee  
15 shall be on premises whenever sports wagering is conducted.

16 F. All wagers on sports events authorized under this Chapter shall be  
17 initiated, received, and otherwise made within the state unless otherwise  
18 determined by the board in accordance with applicable federal and state laws.  
19 Consistent with the Unlawful Internet Gambling Enforcement Act of 2006, 31  
20 U.S.C. 5361 et seq., the intermediate routing of electronic data relating to a  
21 lawful intrastate wager authorized by this Chapter shall not determine the  
22 location or locations in which the wager is initiated, received, or otherwise  
23 made.

24 G. An operator may pool wagers with persons who are not physically  
25 present in this state if the board determines that this wagering is not  
26 inconsistent with federal law or the law of this state, including any foreign  
27 nation, in which the person is located, or that the wagering is conducted  
28 pursuant to a reciprocal agreement to which the state is a party that is not  
29 inconsistent with federal law.

1           **§610. Limitations on wagering**

2           **A.(1) To place a sports wager with an operator, a player shall be all of**  
3 **the following:**

4           **(a) Twenty-one years of age or older.**

5           **(b) Physically located in a parish that has approved a proposition**  
6 **authorizing sports wagering at the time the wager is initiated or placed.**

7           **(c) Have a wagering account established with the operator if the player**  
8 **is attempting to place a sports wager through a website or mobile application.**

9           **(d) Not be prohibited from wagering with the operator by law, rule,**  
10 **policy of the operator, self-exclusion, or pursuant to R.S. 27:27.1.**

11           **(2) In order to accept a sports wager from a player, an operator shall**  
12 **confirm that the player meets all of the following criteria:**

13           **(a) Is twenty-one years of age or older.**

14           **(b) Is physically located in a parish that has approved a proposition**  
15 **authorizing sports wagering at the time the wager is initiated or placed.**

16           **(c) Has an existing sports wagering account with the operator if the**  
17 **wager is being placed through a website or mobile application.**

18           **(d) Is not prohibited from wagering with the operator by law, rule, policy**  
19 **of the operator, self-exclusion, or pursuant to R.S. 27:27.1.**

20           **B.(1) An operator shall not knowingly accept wagers from a person who**  
21 **is an athlete, coach, referee, or other official or staff of a participant or team**  
22 **that is participating in the sports event on which the person is attempting to**  
23 **place the wager.**

24           **(2) An operator shall not knowingly accept wagers from a person who**  
25 **is the operator itself or is a director, officer, owner, or employee of the operator**  
26 **or any relative or other person living in the same household as a director,**  
27 **officer, owner, or employee of the operator.**

28           **C. No sports wagers may be accepted or paid by any operator on any of**  
29 **the following:**

1 (1) On any sport or athletic event not authorized by law or the board.

2 (2) On any sport or athletic event which the operator knows or  
3 reasonably should know is being placed by or on behalf of an official, owner,  
4 coach, or staff of a participant or team that participates in that event.

5 (3) A single act in a team event solely in the control of one participant  
6 acting independently.

7 (4) On the occurrence of injuries or penalties, or the outcome of a  
8 player's disciplinary rulings, or replay reviews.

9 D. Subject to the rules of the board, an operator shall immediately report  
10 to the board on the following activities:

11 (1) Any criminal or disciplinary proceedings commenced against the  
12 licensee or its employees, or a sports wagering platform provider or its  
13 employees, in connection with the operations of the sports book.

14 (2) Any abnormal wagering activity or patterns that may indicate a  
15 concern about the integrity of a sports event.

16 (3) Any other conduct with the potential to corrupt a wagering outcome  
17 of a sports event for purposes of financial gain, including but not limited to  
18 match fixing.

19 (4) Suspicions or illegal wagering activities, including the use of funds  
20 derived from illegal activity, wagers to conceal or launder funds derived from  
21 illegal activity, use of agents to place wagers, or use of false identification.

22 E. Every operator shall adopt procedures to obtain personally  
23 identifiable information from any individual who places an in-person single  
24 wager in an amount of ten thousand dollars or greater on a sports event.

25 §611. Electronic wagering; kiosk; mobile wagering

26 A.(1) Electronic wagering may be conducted only to the extent that it is  
27 conducted in accordance with this Chapter and in accordance with the rules  
28 and regulations promulgated by the board.

29 (2) An operator may accept wagers made electronically using a sports

1 wagering mechanism or online through a website or mobile application.

2 B. Sports wagering mechanism. (1) A player may place a wager via a  
3 sports wagering mechanism with cash or utilizing the player's established sports  
4 wagering account.

5 (2) Sports wagering mechanisms shall only be located in areas where  
6 accessibility is limited to patrons twenty-one years of age or older and have been  
7 permitted by the board. In addition to the age accessibility restriction, the  
8 location may be any one of the following items:

9 (a) The licensee's sports wagering lounge and other restricted locations  
10 on its premises.

11 (b) A restricted location within a permitted retail establishment.

12 (c) A licensed offtrack wagering facility as provided in Part II of Chapter  
13 4 of Title 4 of the Louisiana Revised Statutes of 1950 if the primary licensee of  
14 the offtrack wagering facility as provided in R.S. 4:214(A)(1) is a licensed sports  
15 wagering establishment.

16 (3) Sports wagering mechanisms shall be branded in the same brand as  
17 the licensee.

18 (4)(a) Any sports wager placed with cash via a sports wagering  
19 mechanism shall be evidenced by a ticket indicating the name of the operator  
20 booking the wager, the sports event on which the wager was placed, the amount  
21 of cash wagered, the type of bet and odds if applicable, the date of the event, and  
22 any other information required by the board.

23 (b)(i) No sports wagering mechanism shall be utilized by a patron to  
24 collect on a winning ticket. A patron with a winning ticket shall redeem the  
25 ticket at the establishment of the licensee that booked the wager within one  
26 hundred eighty days of the date of the event.

27 (ii) Notwithstanding Item (i) of this Subparagraph, for the convenience  
28 of the public, the board may establish a maximum dollar amount for a winning  
29 ticket that a retailer may pay after the retailer validates the ticket pursuant to

1 procedures approved by the board.

2 (5) A sports wagering mechanism may be utilized by a player to make a  
3 deposit in their sports wagering account.

4 (6) Wagers placed via a sports wagering mechanism through a player's  
5 established sports wagering account shall be settled through the player's  
6 wagering account.

7 C. Mobile gaming. (1)(a) For purposes of mobile gaming, each licensee  
8 may provide no more than two individually branded websites which may have  
9 an accompanying mobile application bearing the same brand as the website.  
10 The website and mobile application shall only be offered under the same brand  
11 as the licensee, or the sports wagering platform provider, or both. The website  
12 and mobile application shall be, at the discretion of the licensee, in addition to  
13 any other websites or mobile applications operated by the platform provider  
14 and offering other types of online gaming.

15 (b) Notwithstanding Subparagraph (a) of this Paragraph, any website  
16 and mobile applications utilized to conduct sports wagering on behalf of the  
17 Louisiana Lottery Corporation shall be branded only as the Louisiana Lottery.

18 (2) Wagering online through a website or mobile application shall be  
19 subject to the following requirements:

20 (a)(i) A patron shall establish a wagering account with the operator  
21 before the operator may accept any online sports wager from the patron and an  
22 initial verification of the account shall be completed by the operator. An  
23 account may be established with a line of credit or as an advance deposit  
24 wagering account.

25 (ii) No operator shall accept a mobile wager from the public or any  
26 person who does not have an established account with the operator.

27 (b) No wagers shall be placed when the player is physically located out  
28 of state or in a parish that has not approved a proposition authorizing sports  
29 wagering. An operator shall maintain geofencing and geolocation services and

1 shall bear all costs and responsibilities associated with the services as required  
2 by the board.

3 §612. Payment of winnings

4 A.(1) Winning wagers that were placed in-person or via a sports  
5 wagering mechanism with cash and are evidenced by a ticket receipt shall be  
6 redeemed by a player within one hundred eighty days from the time of the  
7 event. A licensee shall pay tickets upon presentation after performing validation  
8 procedures.

9 (2) Winning wagers placed using a sports wagering account shall be  
10 credited by the licensee to the patron's account within one day from the time of  
11 the event.

12 B. A licensee's obligation to pay winning tickets shall expire after one  
13 hundred eighty days from the date of the event if not presented for payment.

14 §613. Layoff bets

15 An operator may seek to reduce its risk exposure on a sports event by  
16 placing a wager with another book. An operator may accept wagers placed by  
17 other operators. An operator may place wagers only with other operators. The  
18 operator that places a wager shall inform the book accepting the wager that the  
19 wager is being placed by a book and shall disclose the book's identity.

20 Section 2. R.S. 13:4721 is hereby amended and reenacted to read as follows:

21 §4721. Gambling houses; definition; declared public nuisances

22 A. For the purposes of this ~~Sub-part~~, **Subpart**, or for the purposes of any  
23 action or prosecution ~~hereunder~~ **in this Section**, a gambling house is **either**:

24 (1) any **Any** place ~~whatever~~ **whatsoever** where any game of chance of any  
25 kind or character is played for money, for wagers, or for tokens, and where the  
26 conduct of such place operates, directly or indirectly, to the profit of one or more  
27 individuals and not exclusively to the direct profit of the actual participants in such  
28 game; ~~and~~.

29 (2) any **Any** place whatsoever where races, athletic contests, ~~and~~ sports, and

1 games are not actually held and where opportunity is afforded for wagering upon  
2 races, athletic contests, sports, and games of chance.

3 **B.** All gambling houses as ~~herein~~ defined **in this Section** are declared to be  
4 public nuisances, and the ~~owner~~ **owners** thereof, and the ~~agent~~ **agents** for such  
5 ~~owner,~~ **owners,** or the ~~lessee, sublessee~~ **lessees, sublessees,** or other occupants  
6 thereof are declared to be guilty of maintaining a public nuisance.

7 **C. The provisions of this Subpart shall not apply to any place where a**  
8 **sports book is being conducted in accordance with Chapter 10 of Title 27 of the**  
9 **Louisiana Revised Statutes of 1950.**

10 Section 3. R.S. 14:90.5(A), (B), and (C) are hereby amended and reenacted and R.S.  
11 14:90(E) and 90.3(K) are hereby enacted to read as follows:

12 §90. Gambling

13 \* \* \*

14 **E. Sports wagering shall not be considered gambling for purposes of this**  
15 **Section so long as the wagering is conducted in compliance with Chapter 10 of**  
16 **Title 27 of the Louisiana Revised Statutes of 1950.**

17 \* \* \*

18 §90.3. Gambling by computer

19 \* \* \*

20 **K. Sports wagering shall not be considered gambling by computer for**  
21 **purposes of this Section so long as the wagering is conducted in compliance with**  
22 **Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950.**

23 \* \* \*

24 §90.5. Unlawful playing of gaming devices by persons under the age of twenty-one;  
25 underage persons, penalty

26 A. It is unlawful for any person under twenty-one years of age to play casino  
27 games, gaming devices, or slot machines **or to place a wager on a sports event.**

28 B. No person under the age of twenty-one, except an emergency responder  
29 acting in his official capacity, shall enter, or be permitted to enter, the designated

1 gaming area of a riverboat, the designated gaming area of the official gaming  
 2 establishment, or the designated ~~slot machine~~ gaming area of a pari-mutuel wagering  
 3 facility which offers live horse racing licensed for operation and regulated under the  
 4 applicable provisions of Chapters 4, 5, and 7 of Title 27 of the Louisiana Revised  
 5 Statutes of 1950.

6 C.(1) For purposes of this Section, "casino games, gaming devices, or slot  
 7 machines" means a game or device, as defined in R.S. 27:44~~(10) or (12)~~, 205~~(12) or~~  
 8 ~~(13)~~, or 353~~(14)~~ operated on a riverboat, at the official gaming establishment, or at  
 9 a pari-mutuel wagering facility which offers live horse racing which is licensed for  
 10 operation and regulated under the provisions of Chapters 4, 5, and 7 of Title 27 of  
 11 the Louisiana Revised Statutes of 1950.

12 **(2) For purposes of this Section, "place a wager on a sports event" shall**  
 13 **apply to wagers attempted to be or actually placed in-person, via a self-service**  
 14 **sports wagering mechanism, or though a website or mobile application as those**  
 15 **terms are defined in R.S. 27:602 and operations are regulated under the**  
 16 **provisions of Chapter 10 of Title 27 of the Louisiana Revised Statutes of 1950.**

17 \* \* \*

18 Section 4. The provisions of this Act shall become effective on July 1, 2021, or the  
 19 date on which laws providing for the taxation of sports wagering activities and operations  
 20 are enacted and become effective, whichever is later.

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The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Dawn Romero Watson.

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DIGEST

SB 202 Original                      2021 Regular Session                      Cortez

Proposed law enacts the "Louisiana Sports Wagering Act".

Present law vests all regulatory authority, control, and jurisdiction over all aspects of gaming activities and operations of riverboats, the land-based casino, video poker, and fantasy sports contests with the Louisiana Gaming Control Board (board).

Proposed law retains present law and adds authority, control, and jurisdiction for the board over sports wagering.

Proposed law specifically provides that any license, permit, approval, or thing obtained or issued pursuant to proposed law is expressly declared by the legislature to be a pure and



absolute revokable privilege and not a right, property or otherwise, under the federal or state constitution.

Proposed law provides for definitions and requires the board to adopt rules in accordance with the Administrative Procedure Act to:

- (1) Develop qualifications and standards and a process and procedure for the licensure of sports wagering establishments as well as the renewal, suspension, and revocation of a license.
- (2) Develop qualifications and standards and a procedure and process for approval and permitting of sports wagering platform providers, sports wagering service providers, distributors, manufacturers, vendors, suppliers, personnel, and retail establishments as well as the renewal, suspension, and revocation of a permit.
- (3) Promulgate forms, processes, and procedures necessary to implement, administer, and regulate sports wagering as authorized by proposed law.
- (4) Establish standards for the amount of reserves required to be maintained by an operator and the allowable form of those reserves, including standards for initial reserves for a newly licensed sports wagering establishment or newly permitted sports wagering platform provider.
- (5) Establish guidelines for the acceptance of wagers on a series of sports events by a sports book operator.
- (6) Determine the maximum number and amount of wagers which may be accepted by an operator from any one patron on any one sports event.
- (7) Prohibit an operator from unilaterally rescinding a wager unless approved by the board to do so.
- (8) For cash wagers placed in-person or via a sports wagering mechanism, establish standards for the type of wagering tickets which may be used, information required to be printed on a ticket, and methods for issuing tickets.
- (9) Establish the method of accounting to be used by operators, the types of records required to be kept, and the length of time records shall be retained.
- (10) Require operators to comply with anti-money laundering standards and practices.
- (11) Provide standards for the use of credit and checks by players and other protections for players.
- (12) Establish internal controls for all aspects of electronic wagering, including procedures for system integrity, system security, operations, accounting, and reporting of problem gamblers.
- (13) Establish operational controls for server-based gaming systems, software and hardware utilized on electronic sports wagering, including but not limited to appearance, functionality, contents, collection, storage, and retention of data and security.
- (14) Establish operational controls for sports wagering accounts, including but not limited to procedures for establishment and closure of an online account, funding of withdrawal of funds from an online account, and generation of an account statement for a patron's online account.

- (15) Establish standards for servers and other equipment used to accept wagers by operators and procedures for inspection and for addressing defective or malfunctioning devices, equipment, and accessories related to sports wagering.
- (16) Establish standards and a process for approval for permitting retail establishments for hosting of sports wagering mechanisms.
- (17) Require that an amount equal to or greater than 10% of all sports wagering booked by an operator on any event be on deposit in a Louisiana chartered bank and that a dollar amount equal to or greater than 10% of the total amount held by an operator in patron's sports wagering accounts be on deposit in a Louisiana chartered bank.

Proposed law authorizes emergency rulemaking procedures to be used for the initial promulgation of administrative rules.

Proposed law provides that the board shall follow its regulatory processes for dispute resolution for disputes arising from sports wagering.

Proposed law provides that the gaming division of state police shall, at all times deemed appropriate by the board, be charged with inspecting and ensuring compliance with all the requirements of proposed law and with any other tasks deemed necessary by the board to the regulation of sports wagering in this state.

Proposed law requires the board, following consultation with operators, to annually report to the legislature on the impact of sports wagering on sports events, on problem gamblers, and on gambling addiction in the state. Provides that any costs associated with the preparation and distribution of the report shall be borne by the licensees. Requires the board to also report annually to the legislature on the effectiveness of the statutory and regulatory controls in place to ensure the integrity of gaming operations, including online wagering.

Proposed law provides that no person, business, or legal entity shall operate a sports book without first being licensed by the board and that a sports wagering license shall be in addition to any other license.

Proposed law provides that in addition to the license for the Louisiana Lottery Corporation the board shall issue no more than 20 licenses to operate a sports book. Provides that the board shall first consider applications for licensing from the following:

- (1) The landbased casino.
- (2) The fifteen licensed riverboats.
- (3) The four live horse racing tracks, provided that the applicant has the approval of the Louisiana State Racing Commission to apply to be licensed for a sports book.

Proposed law provides that should any of the initial eligible applicants not have an active license or fail to submit a completed application or elect not to apply for a license by January 1, 2022, it shall no longer be considered for a license and the board may consider for the remaining licenses, applications from:

- (1) Video poker licensed establishments; however, any applicant that is also licensed as an offtrack betting parlor shall also have the Louisiana State Racing Commission's approval to apply to be licensed for a sports book.
- (2) Fantasy sports operators.

Proposed law provides that in the event the number of applications received by the board exceeds the number of licenses available, the board shall provide for a concealed bid process

and award the available licenses to suitable bidders, in accordance with the board's ranking of the bids by potential for revenue generation for the state.

Proposed law provides that in addition to the 20 licenses authorized by proposed law, the board may authorize an additional license for the Louisiana Lottery Corporation. Provides that any license issued for the Louisiana Lottery Corporation shall be limited to electronic wagering and any sports wagering machines, website, and mobile applications utilized to conduct sports wagering on the lottery's behalf shall be branded as the Louisiana Lottery.

Proposed law provides that the board shall only award a license to operate a sports book to an applicant that it determines to be suitable, and specifically provides other information that the board may consider in addition to the information the board uses in determining suitability for other gaming licenses.

Proposed law provides that except for the Louisiana Lottery Corporation, each applicant shall submit as part of its application a detailed plan of design of its sports book lounge and other areas of its establishment where sports wagering mechanisms may be placed. Requires the board to only award a license to an applicant whose detailed plan of design the board finds acceptable.

Proposed law provides that in addition to the license for the Louisiana Lottery Corporation, the board shall award not more than 20 licenses on applications that meet the provisions of proposed law and all other qualifications and standards as determined by the board.

Proposed law provides that a licensed sports wagering establishment may operate the sports book itself or contract for operation of its onsite or its mobile operation with a sports wagering platform provider. Provides that only a licensed sports wagering establishment or its sports wagering platform provider may process, accept, offer, or solicit sports wagers.

Proposed law specifically provides that a licensed sports wagering establishment shall be responsible for the conduct of its sports wagering platform provider.

Proposed law provides that prior to beginning operations, a licensed sports wagering establishment shall install and thereafter maintain sports wagering platform that meets the specifications required by law and by rule and approved by the board.

Proposed law requires a sports wagering platform provider to contract with a licensee to provide sports wagering services and provides that the terms of the contract shall be approved by the board prior to the platform provider engaging in sports wagering activities on behalf of the licensee. Requires that the contract provide access for the division and the board to any information maintained by the platform provider for verification of compliance with proposed law.

Proposed law limits an operator to one sports wagering platform to offer, conduct, or operate a sports book.

Proposed law requires that any provider of a sports wagering platform operating in this state have an information technology division of employees or independent contractors, which, at a minimum, shall be comprised of an IT department manager and a sports wagering mechanism manager who may be the same person. Requires the provider of a sports wagering platform to provide to the division a readily available point of contact to ensure compliance with the requirements of proposed law.

Proposed law requires that all servers necessary to the placement or resolution of wagers, other than backup servers, to be physically located in Louisiana.

Proposed law requires that the sports wagering platform utilized for electronic wagering have a component of its design to reasonably verify that the person attempting to place the

wager is:

- (1) At least 21 years of age.
- (2) Physically located in the state and not physically located in a parish that has not approved sports wagering at the time the wager is initiated or placed.
- (3) Not a person who is otherwise prohibited from wagering with the operator through law, rule, policy of the operator, self-exclusion, or the compulsive and problem gaming program.

Proposed law prohibits a sports wagering platform provider from owning, directly or indirectly, any portion of a distributor.

Proposed law provides that the board shall permit retail establishments for the hosting of sports wagering mechanisms. An eligible retail establishment shall include an establishment that has a bar or restaurant license for the sale of alcoholic beverages for on-premises consumption shall be eligible and other establishments as determined by the board. Provides that a retail establishment eligible for licensing shall not include any premises leased to or utilized by a bonafide nonprofit organization for the conducting of charitable gaming nor any convenience store, quick-stop, food-mart, service station, grocery store, barber shop, laundromat or washateria, package or discount liquor or cigarette establishment, movie theater, or beauty shop and other establishments as determined by the board.

Proposed law provides that a permitted retail establishment may enter an agreement with an operator or service provider or distributor on the operator's behalf to host a sports wagering mechanism. Provides that the terms of the agreement shall be approved by the board and any such agreement shall not have an original term or any renewal terms of more than one year.

Proposed law requires each licensee to house its sports book in a sports wagering lounge on its premises and that the premises be restricted to patrons who are 21 years of age or older and that the lounge conform to all requirements concerning square footage, design, equipment, security measures, and related matters which the board shall prescribe by rule. Provides an exception to the sports wagering lounge for the Louisiana Lottery who shall only conduct sports wagering via a sports wagering mechanism at an approved retail establishment and through a website or mobile application.

Proposed law requires an operator to establish and display the odds at which wagers may be placed on sports events. Prohibits an operator from accepting a wager in-person, via a sports wagering mechanism, or through a website or mobile application unless the wagering proposition is posted by electronic or manual means.

Proposed law requires an operator to adopt comprehensive rules governing sports wagering transactions with its patrons and for those rules to be subject to approval by the board. Requires the rules to specify the amount to be paid on winning wagers and the effect of schedule changes. Requires the rules, together with any other information the board deems appropriate, to be conspicuously displayed in the establishment, posted electronically on any sports wagering mechanism, website, or mobile application, and included in the terms and conditions of the sports wagering account system.

Proposed law requires an operator to maintain records of sports wagering activities and operations in accordance with rules and regulations of the board and follow anti-money laundering practices in day-to-day operations of its business.

Proposed law requires each operator to designate one or more key employees who shall be responsible for the operation of the sports book. Requires at least one of those key employees to be on the premises whenever sports wagering is conducted.

Proposed law specifies that all wagers on sports events authorized under proposed law shall be considered to be initiated, received, and otherwise made within the state unless otherwise determined by the board in accordance with applicable federal and state laws.

Proposed law authorizes an operator to pool wagers with persons who are not physically present in this state if the board determines that this wagering is not inconsistent with federal law or the law of this state, including any foreign nation, in which any such person is located, or that the wagering is conducted pursuant to a reciprocal agreement to which the state is a party that is not inconsistent with federal law.

Proposed law provides that for a player to place a sports wager with an operator and for an operator to accept a wager from a player, the player must be:

- (1) 21 years of age or older.
- (2) Physically located in a parish that has approved a proposition authorizing sports wagering at the time the wager is initiated or placed.
- (3) Have a wagering account established with the operator if the player is attempting to place an sports wager online through a website or mobile application.
- (4) Not be prohibited from wagering with the operator by law, rule, policy of the operator, self-exclusion, or the compulsive and problem gambling program.

Proposed law prohibits an operator from knowingly accepting wagers from a person who is an athlete, coach, referee, or other official or staff of a participant or team that is participating in the sports event on which the person is attempting to place the wager. Also prohibits an operator from knowingly accepting a wager from a person who is the operator itself or is a director, officer, owner, or employee of the operator or any relative or other person living in the same household as a director, officer, owner, or employee of the operator.

Proposed law prohibits an operator from accepting or paying on a wager that is:

- (1) On any sport or athletic event not authorized by law or the board.
- (2) On any sport or athletic event which the operator knows or reasonably should know is being placed by or on behalf of an official, owner, coach, or staff of a participant or team that participates in that event.
- (3) A single act in a team event solely in the control of one participant acting independently.
- (4) On the occurrence of injuries or penalties, or the outcome of a player's disciplinary rulings, or replay reviews.

Proposed law, subject to the rules of the board, requires an operator to immediately report to the board on:

- (1) Any criminal or disciplinary proceedings commenced against the licensee or its employees, or a sports wagering platform provider or its employees, in connection with the operations of the sports book.
- (2) Any abnormal wagering activity or patterns that may indicate a concern about the integrity of a sports event.
- (3) Any other conduct with the potential to corrupt a wagering outcome of a sports event for purposes of financial gain, including but not limited to match fixing.

- (4) Suspicions or illegal wagering activities, including the use of funds derived from illegal activity, wagers to conceal or launder funds derived from illegal activity, use of agents to place wagers, or use of false identification.

Proposed law requires an operator to adopt a procedure to obtain personally identifiable information from any individual who places an in-person single wager in an amount of \$10,000 or greater on a sports event.

Proposed law, regarding sports wagering mechanism, provides that a player can place a wager with cash or utilizing the player's established sports wagering account. Requires that sports wagering mechanisms only be located in areas where accessibility is limited to patrons 21 years of age or older and may be located in:

- (1) The licensee's sports wagering lounge and other restricted locations on its premises.
- (2) A restricted location within a permitted retail establishment.
- (3) A licensed offtrack wagering facility if the live race track is a licensed sports wagering establishment.
- (4) At other restricted locations as approved by the board.

Proposed law requires that the sports wagering mechanisms shall be branded in the same brand as the licensee.

Proposed law provides that any sports wager placed with cash via a sports wagering mechanism shall be evidenced by a ticket indicating the name of the operator booking the wager, the sports event on which the wager was placed, the amount of cash wagered, the type of bet and odds if applicable, the date of the event, and any other information required by the board. Provides that sports wagering mechanisms shall not be utilized by a patron to collect on a winning ticket; requires a patron with a winning ticket to redeem the ticket at the establishment of the licensee that booked the wager within one year of the date of the event. Provides that notwithstanding proposed law, for the convenience of the public, the board may establish a dollar value amount for a winning ticket as a cap that a retailer may pay after the retailer performs validation procedures on the ticket.

Proposed law provides that a sports wagering mechanism may be utilized by a player to make a deposit in their sports wagering account. Also provides that all wagers place via a sports wagering mechanism through a player's established sports wagering account shall be settled through the player's wagering account.

Proposed law, relative to mobile gaming, provides that each licensee may provide no more than two individually branded websites which may have an accompanying mobile application bearing the same brand as the website. Provides that the website and mobile application shall only be offered under the same brand as the licensed sports wagering establishment, or the sports wagering platform provider, or both. Provides that the website and mobile application shall be, at the discretion of the licensed sports wagering establishment, in addition to any other websites or mobile applications operated by the platform provider and offering other types of mobile gaming. Proposed law provides an exception for the lottery in that it requires that any website or mobile applications utilized on its behalf to conduct sports wagering shall be branded as the Louisiana Lottery.

Proposed law requires a patron to establish a wagering account with the operator before the operator may accept any online sports wager from the patron and that an initial verification of the account must be completed by the operator. Authorizes the account to be established with a line of credit or as an advance deposit wagering account. Prohibits an operator from accepting an online wager from the public or any person who does not have an established account with the operator.

Proposed law prohibits an operator from accepting a wager from a player physically located outside of Louisiana or located in a parish that did not approve sports wagering and requires an operator to maintain geofencing and geolocation services and to bear all costs and responsibilities associated therewith.

Proposed law authorizes an operator who seeks to reduce its risk exposure on a sports event to place a wager with another book. Requires the operator that places a wager to inform the book accepting the wager that the wager is being placed by a book and to disclose its identity.

Present law prohibits gambling houses, gambling, and gambling by computer.

Proposed law retains present law, but makes an exception for gaming conducted in accordance with proposed law.

Present law provides that it is unlawful for any person under 21 years of age to play casino games, gaming devices, or slot machines.

Proposed law retains present law and includes sports wagering to casino games that persons under 21 years of age are prohibited from playing.

Provides that the provisions of the Act shall become effective on July 1, 2021, or the date on which laws providing for the taxation of sports wagering activities and operations are enacted and become effective, whichever is later.

(Amends R.S. 13:4721, R.S. 14:90.5(A), (B), and (C), R.S. 27:3(10), (15), (17), (19) and (24), 15(B)(1), 15.1, 29(F), (H) and (I), 29.2(D), 29.3(D), 44(10), 58(5), 65(B)(11), 205(11) and (12), 239.1, 353(2) and (5), 361(F), 364(A)(1)(c)(ii) and (5), 371(C), 372(B), and 375(D); adds R.S. 14:90(E) and 90.3(K), R.S. 27:3(25) and (26) and 15(8)(c) and 601-613)