

2016 Regular Session

SENATE BILL NO. 295

BY SENATORS PETERSON, BISHOP, CARTER, APPEL, CHABERT, JOHNS,
MARTINY AND TARVER AND REPRESENTATIVES ADAMS,
BAGNERIS, BOUIE, GARY CARTER, JIMMY HARRIS, HAZEL,
TERRY LANDRY, LEGER, LOPINTO, MORENO AND TALBOT

GAMING. Provides relative to non-gaming economic development by the casino operator.
(8/1/16)

1 AN ACT

2 To enact R.S. 27:248, relative to the land-based casino; to promote non-gaming economic

3 development; to provide for personnel and total operating force; to provide for third-

4 party tenants; to provide for compensation; to provide for reporting; to provide for

5 definitions; to provide for credits; to provide for methods of calculation; and to

6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 27:248 is hereby enacted to read as follows:

9 **§248. Non-gaming economic development by casino gaming operator**

10 **A. An effective method of promoting non-gaming economic development**

11 **by the casino gaming operator or an affiliate company exists through the**

12 **development of businesses including but not limited to restaurants,**

13 **entertainment outlets, and retail outlets leased or subleased to third-party**

14 **tenants or subtenants within, adjacent to, and around the official gaming**

15 **establishment.**

16 **B. Non-gaming economic development within, adjacent to, or around the**

17 **official gaming establishment for which the casino gaming operator, on its own**

1 or through an affiliate, holds a leasehold interest, will revitalize the nearby
2 properties and within the state and parish where the official gaming
3 establishment is located.

4 C. As to non-gaming economic development activities:

5 (1) The casino gaming operator shall directly and through its parent,
6 subsidiary, or affiliate companies and its third-party tenants and subtenants,
7 collectively seek to maintain and grow the operating force or personnel level
8 related to the casino and non-gaming operations within, adjacent to, or around
9 the official gaming establishment.

10 (2) The total operating force or personnel level of the third-party tenants
11 shall be reported to the board quarterly on the following dates every year:

12 (a) March thirty-first, covering the three-month period beginning
13 December first and ending on the last day of February.

14 (b) June thirtieth, covering the three-month period beginning March
15 first and ending May thirty-first.

16 (c) September thirtieth, covering the three-month period beginning June
17 first and ending August thirty-first.

18 (d) December thirty-first, covering the three-month period beginning
19 September first and ending November thirtieth.

20 (3) The reported operating force or personnel level for the prior quarter
21 shall be determined by taking into account the greater of either the three-month
22 average for the applicable reporting quarter or the highest monthly total during
23 the applicable reporting quarter. The reported operating force or personnel
24 level for the prior quarter shall be credited to the casino operator for purposes
25 of meeting its obligations under R.S. 27:244(A)(11), provided that such credit
26 shall be limited to four hundred employment positions toward the total
27 operating force or personnel level.

28 (4) For purposes of this Section, "operating force or personnel level"
29 shall mean the number of people employed by the casino and any related non-

1 **gaming entity, including hotel operations, third-party tenants, and corporate**
 2 **employees.**

3 **(5) The casino gaming operator shall be credited an amount equal to the**
 4 **pro rata share of compensation to employees of the third-party tenants. The**
 5 **credited amount shall be applied to the total salary level or compensation**
 6 **reported under R.S. 27:244(A)(12) and shall be calculated based on the total**
 7 **operating force or personnel level reported pursuant to R.S. 27:248(C)(2).**

The original instrument was prepared by Ashley Menou. The following digest, which does not constitute a part of the legislative instrument, was prepared by Nancy Vicknair.

DIGEST

SB 295 Reengrossed

2016 Regular Session

Peterson

Present law establishes the Louisiana Gaming Control Law and Land-Based Casino Operating Contract and provides for the operations for land-based casinos.

Present law establishes requirements for the casino operator. Provides that the casino operator shall be responsible for the following:

- (1) Be responsible for the providing or improving and maintaining the official gaming establishment.
- (2) Provide all furnishings, gaming devices, gaming supplies, slot machines, equipment, services, and all things necessary for the conducting of gaming operations at the official gaming establishment.
- (3) Conduct gaming operations and provide such other services as required by the proposal to conduct casino gaming operations.
- (4) Provide the necessary personnel to conduct the gaming operations and such other activities and services as required by the board and the proposal selected.
- (5) Be responsible for payment of all expenses of casino gaming operations and operations of the official gaming establishment.
- (6) Provide private security for the detection and prevention of offenses against the patrons and the orderly operation of the official gaming establishment.
- (7) Procure and maintain liability insurance coverage in an amount to be determined by the board.
- (8) Indemnify the state and the corporation in the event a judgment is rendered against either as a result of the actions of the casino gaming operator or its agents.
- (9) Provide such other services and goods as otherwise required by present law.
- (10) Provide such other things which are, in the opinion of the board, necessary to achieve the public policies provided for in present law.

- (11) The casino gaming operator shall not reduce its total operating force or personnel level below 90% of the force or level as such existed on March 8, 2001.
- (12) The casino gaming operator shall not reduce the total salary levels or compensation of its operating force or personnel by more than 10% of the salary level or compensation as such existed on March 8, 2001.

Proposed law retains all the requirements for a casino operator provided in present law and adds that a casino operator shall also promote non-gaming economic development through the development of businesses within, adjacent to, and around the official gaming establishment.

Present law provides that the casino gaming operator is not to reduce its total operating force or personnel level below 90% of the force or level as it existed on March 8, 2001.

Present law provides that the casino gaming operator is not to reduce the total salary levels or compensation of its operating force or personnel by more than 10% of the salary level or compensation as it existed on March 8, 2001.

Proposed law retains present law and provides that the total operating force and related total salary level or compensation includes all personnel working at the official gaming establishment or any of its owned, operated, leased or subleased facilities.

Proposed law establishes a reporting schedule of the total operating force or personnel level of the third-party tenants. Such information shall be sent to the board as follows:

- (1) March 31, covering the three-month period beginning December first and ending on the last day of February.
- (2) June 30, covering the three-month period beginning March first and ending May 31.
- (3) September 30, covering the three-month period beginning June first and ending August 31.
- (4) December 31, covering the three-month period beginning September first and ending November 30.

Proposed law defines "operating force or personnel level" as any person employed by the casino and any related non-gaming entity, including hotel operations, third-party tenants, and corporate employees.

Proposed law provides that the gaming operator be credited an amount equal to the pro rata share of compensation to employees of the third-party tenants and the credited amount will be applied to the total salary level or compensation and calculated based on the total operating force or personnel level reported to the board.

Effective August 1, 2016.

(Adds R.S. 27:248)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Technical changes.