

Regular Session, 2004

HOUSE BILL NO. 1719 (Substitute for House Bill No. 92 by Representative Murray)

BY REPRESENTATIVE MURRAY

GAMBLING: Provides for domestic cruiseship gaming

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AN ACT

To amend and reenact R.S. 14:90(B) and 90.3(F) and R.S. 27:3(14), (16), and (18), 27.1(C), 29.2(B) and (D), 29.3(A) and (D), and 29.4(D) and to enact R.S. 14:90(F) and Chapter 9 of Title 27 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 27:501 through 536, relative to domestic cruiseship gaming; to enact the Domestic Cruiseship Gaming Control Act; to provide for applicability; to provide for definitions; to declare public policy; to provide for procedures for licensing of gaming on a domestic cruiseship; to provide suitability criteria and conditions for licensing; to provide criteria for domestic cruiseships; to provide conditions with respect to licensing; to provide for the powers and duties of the Louisiana Gaming Control Board; to provide for the powers and duties of the gaming division, office of state police; to provide limitations on the designated gaming area; to provide for fees; to prohibit certain relationships; to provide for certain crimes; to provide for penalties; to provide for appeals; to provide for assistance for compulsive or problem gambling; to provide that the provisions of law regarding the uniform and compulsive problem gambling program and permits for non-gaming suppliers, key and non-key gaming employees apply to licensees for domestic cruiseship gaming; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 14:90(B) and 90.3(F) are hereby amended and reenacted and R.S. 14:90(F) is hereby enacted to read as follows:

1 §90. Gambling

2 \* \* \*

3 B. ~~The~~ Notwithstanding any other provision of law to the contrary, the  
4 conducting, or directly assisting in the conducting, as a business, of any game,  
5 contest, lottery, or contrivance on board a commercial cruiseship used for the  
6 international or domestic carriage of passengers whereby a person risks the loss of  
7 anything of value in order to realize a profit is not gambling and shall not be  
8 suppressed by any law enforcement officer of the state of Louisiana or any of its  
9 political subdivisions. This Subsection shall apply only to commercial cruiseships  
10 for the carriage of passengers which are sailing in compliance with either of the  
11 following paragraphs:

12 (1) ~~from~~ From a port outside the continental limits of the United States to a  
13 port in any parish of this state having a population of more than four hundred  
14 seventy-five thousand or any such ship which is sailing from a port in such a parish  
15 to a port outside the continental limits of the United States, provided that the ship is  
16 not docked or anchored but is navigating en route between such ports.

17 (2) From a port inside the continental limits of the United States to or from  
18 a port in any parish of this state having a population of more than four hundred  
19 seventy-five thousand or any such ship which is sailing to or from a port in such a  
20 parish to another port inside the continental limits of the United States, if such vessel  
21 meets all of the following criteria:

- 22 (a) Provides overnight berths for more than four hundred passengers.
- 23 (b) Is not docked or anchored but is navigating en route between ports.
- 24 (c) Has embarked its passengers for a cruise of a duration of at least forty-  
25 eight hours until the passengers have disembarked the vessel.

26 \* \* \*



1 gaming operator, or of a holder of a license as defined in R.S. 27:44(14), R.S.  
2 27:353(5), R.S. 27:503(8), or a permittee.

3 \* \* \*

4 (16) "Non-key gaming employee" means a person employed in the operation  
5 of a gaming activity and includes employees empowered to make discretionary  
6 decisions that regulate gaming activities, and any individual whose employment  
7 duties require or authorize access to designated gaming areas of a licensee as defined  
8 in R.S. 27:44(13), R.S. 27:353(6), R.S. 27:503(8), or the official gaming  
9 establishment, other than non-gaming equipment maintenance personnel, cleaning  
10 personnel, waiters, waitresses, and secretaries.

11 \* \* \*

12 (18) "Non-gaming supplier" means any person who sells, leases, or otherwise  
13 distributes, directly or indirectly, goods or services other than gaming equipment and  
14 supplies to the holder of a license, as defined in R.S. 27:44(14), R.S. 27:353(5), R.S.  
15 27:503(8), or the casino gaming operator.

16 \* \* \*

17 §27.1. Uniform compulsive and problem gambling program

18 \* \* \*

19 C. Within one hundred twenty days from the adoption of the rules provided  
20 for in Subsection B of this Section, each holder of a license as defined in R.S.  
21 27:44(14), R.S. 27:353(5), R.S. 27:503(8), and the casino gaming operator shall  
22 submit for approval to the board a comprehensive program that provides policies and  
23 procedures that, at a minimum, shall cover the following areas of concern and are  
24 designed to:

25 \* \* \*

26 §29.2. Gaming supplier permits

27 \* \* \*

28 B. Gaming devices, supplies, or equipment may not be distributed to the  
29 holder of a license as defined in R.S. 27:44(14), R.S. 27:353(5), R.S. 27:503(8), or

1 a casino gaming operator or supplier unless such devices, equipment, or supplies  
2 conform to rules adopted by the board for such purpose.

3 \* \* \*

4 D. A supplier shall furnish to the board a list of any gaming equipment and  
5 supplies offered by the supplier for sale or lease in connection with games authorized  
6 under this Title. A supplier shall keep books and records for the furnishing of  
7 gaming equipment and supplies to gaming operations separate and distinct from any  
8 other business that the supplier might operate. A supplier shall file a quarterly return  
9 with the board listing all sales and leases. A supplier shall permanently affix its name  
10 to all its gaming devices, equipment, and supplies for gaming operations unless  
11 otherwise authorized by the board. Any supplier's gaming devices, equipment, or  
12 supplies which are used by any person in unauthorized gaming operations shall be  
13 forfeited to the board. The holder of a license as defined in R.S. 27:44(14), R.S.  
14 27:353(5), R.S. 27:503(8), and the casino gaming operator may own its own gaming  
15 devices, equipment, and supplies. Each supplier, the holder of a license as defined  
16 in R.S. 27:44(14), R.S. 27:353(5), R.S. 27:503(8), and the casino operator shall file  
17 an annual report with the board listing its inventories of gaming devices, equipment,  
18 and supplies.

19 \* \* \*

20 §29.3. Non-gaming supplier permit

21 A. The division shall issue a non-gaming supplier permit to suitable persons  
22 who furnish services or goods and receive compensation or remuneration in excess  
23 of one hundred thousand dollars per calendar year for such goods or services, as  
24 defined by the rules of the board, to the holder of a license as defined in R.S.  
25 27:44(14), R.S. 27:353(5), R.S. 27:503(8), or the casino gaming operator. Such  
26 services include but are not limited to industries offering goods or services whether  
27 or not directly related to gaming activity, including junket operators and limousine  
28 services contracting with the holder of a license as defined in R.S. 27:44(14), R.S.  
29 27:353(5), R.S. 27:503(8), or the casino gaming operator, suppliers of food and

1 nonalcoholic beverages, gaming employee or dealer training schools, garbage  
2 handlers, vending machine providers, linen suppliers, or maintenance companies.  
3 Any employee or dealer training school, other than employee or training schools  
4 conducted by a licensee, or the casino gaming operator, shall be conducted at an  
5 institution approved by the Board of Regents or the State Board of Elementary and  
6 Secondary Education.

7 \* \* \*

8 D. The holder of a license as defined in R.S. 27:44(14) ~~or~~ R.S. 27:353(5),  
9 R.S. 27:503(8), or the casino gaming operator shall ensure that all persons required  
10 to be licensed or permitted, or persons performing regulated tasks who are supplied  
11 by contractual agreement or otherwise, are properly licensed or permitted pursuant  
12 to this Title.

13 \* \* \*

14 §29.4. Key and non-key gaming employee permit

15 \* \* \*

16 D. The holder of a key or non-key gaming employee permit issued under this  
17 Title shall be authorized to work in the capacity for which permitted for the holder  
18 of a license as defined in R.S. 27:44(14), R.S. 27:353(5), R.S. 27:503(8), or the  
19 casino gaming operator.

20 \* \* \*

21 CHAPTER 9. DOMESTIC CRUISESHIP GAMING

22 CONTROL ACT

23 PART I. GENERAL PROVISIONS

24 §501. Title

25 This Chapter shall be referred to as the "Domestic Cruiseship Gaming Control  
26 Act".

27 §502. Policy

28 The legislature hereby finds and declares it to be the public policy of this state  
29 that:

1           (1) The cruiseship industry has historically made invaluable contributions to  
2           tourism and to the economic development of the state and has brought many visitors  
3           from throughout the world to visit the state.

4           (2) The legislature recognized the economic stimulus generated by the  
5           cruiseship industry and in order to attract additional cruiseships and to assist tourism  
6           and economic development in the state, the legislature enacted Act No. 633 in the  
7           1979 Regular Legislative Session specifically to permit cruiseships to use and operate  
8           gaming equipment while still within the state of Louisiana after embarking and  
9           leaving the docks in the port of New Orleans while navigating on the Mississippi  
10           River to a port outside of the continental limits of the United States. Since 1979,  
11           cruiseships have had authority to offer such amenity to its passengers and since said  
12           date such cruiseships are all foreign owned, foreign flagged, and are crewed by  
13           foreign workers.

14           (3) The legislature recognizes that there are domestic cruises which embark  
15           from the port of New Orleans and navigate on the Mississippi River and in  
16           furtherance of stimulating tourism and economic development, the legislature desires  
17           to attract more visitors to enjoy water travel on cruiseships on the Mississippi River  
18           within Louisiana on legitimate domestic cruises with a minimum berthing capacity  
19           of at least four hundred passengers and with a minimum cruise time of at least forty-  
20           eight hours and to permit such domestic cruiseships to use and operate gaming  
21           equipment while in the state only while navigating on the Mississippi River and only  
22           as a limited amenity so as not to conflict or compete with existing gaming licensees.

23           (4) The promotion, support, and development of tourism and economic  
24           development within the state and the conduct of such gaming, no matter how limited,  
25           requires careful execution by the legislature of its legislative power to protect the  
26           general health, safety, and welfare and therefore such gaming shall be strictly  
27           regulated.

1        §503. Definitions

2            A. When used in this Chapter, the following terms shall have these  
3        meanings:

4            (1) "Board" means Louisiana Gaming Control Board.

5            (2) "Designated gaming area" means the area of the domestic cruiseship at  
6        which gaming may be conducted in accordance with the provisions of this Chapter.

7            (3) "Division" shall have the same meaning as that term defined in R.S.  
8        27:3(6).

9            (4) "Domestic cruiseship" means the vessel described in R.S. 27:510.

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

17          (6) "Gaming activities" or "gaming operations" means the use, operation, or  
18        conducting of any game or gaming device upon a domestic cruiseship including all  
19        activities related to and integral to the operation and profitability of a domestic  
20        cruiseship, including accounting procedures and internal controls governing the  
21        licensee's operations.

22          (7) "Gaming device" or "gaming equipment" means any equipment or  
23        mechanical, electro-mechanical, or electronic contrivance, component, or machine,  
24        including a slot machine, used directly or indirectly in connection with gaming or any  
25        game, which affects the result of a wager by determining wins or losses.

26          (8) "License" means the authorization applied for by or issued to the owner  
27        of the domestic cruiseship by the board to conduct gaming on the domestic cruiseship  
28        issued pursuant to the provisions of this Chapter.

1           (9) "Licensee" means any person issued a license to conduct domestic  
2           cruiseship gaming by the board.

3           (10) "Net gaming proceeds" means the total of all cash and property,  
4           including checks received by a licensee, whether collected or not, received by the  
5           licensee from gaming operations, less the total of all cash paid out as winnings to  
6           patrons.

7           (11) "Person" shall have the same meaning as that term defined in R.S.  
8           27:3(21).

9           (12) "Slot machine" means any mechanical, electrical, or other device,  
10           contrivance, or machine which, upon insertion of a coin, token, or similar object  
11           therein or upon payment of any consideration whatsoever, is available to play or  
12           operate, the play or operation of which, whether by reason of the skill of the operator  
13           or application of the element of chance, or both, may deliver or entitle the person  
14           playing or operating the machine to receive cash, premiums, merchandise, tokens, or  
15           anything of value, whether the payoff is made automatically from the machine or in  
16           any other manner.

17           §504. Blank

18                           PART II. REGULATORY PROVISIONS

19           §505. Louisiana Gaming Control Board; powers and duties

20           A. The board shall have all regulatory authority, control, and jurisdiction,  
21           including investigation, licensing, and enforcement and all power incidental or  
22           necessary to such regulatory authority, control, and jurisdiction over all aspects of  
23           gaming on a domestic cruiseship. These powers are additional powers of the board  
24           and are not intended to supersede or to limit the jurisdiction and authority of the  
25           board as provided in R.S. 27:15 or any other provision of this Title.

26           B. The board shall:

27           (1) Adopt all rules necessary to implement, administer, and regulate gaming  
28           as authorized in this Chapter.

1           (2) Revoke or suspend the license of any person who is found, after receiving  
2           a license, to have been unsuitable at the time of application for the license or who is  
3           otherwise found unsuitable.

4           (3) Conduct any investigation or cause any investigation to be conducted by  
5           the division the board determines necessary to fulfill its responsibilities under the  
6           provisions of this Chapter.

7           (4) Permit electronic gaming devices to be linked for the offering of  
8           progressive jackpots.

9           C. The board may:

10           (1) Deny, revoke, condition, or suspend the license of any person who  
11           violates any provision of this Chapter or any rule adopted by the board. This  
12           authority is in addition to the duties provided for in Paragraph (2) of Subsection B  
13           of this Section and is not intended to limit that duty.

14           (2) Impose a civil penalty not to exceed one hundred thousand dollars for  
15           each violation of any provision of this Chapter or any rule adopted by the board. This  
16           penalty may be in addition to or in lieu of the revocation or suspension of a license  
17           to conduct gaming on a domestic cruiseship.

18           (3) Take steps necessary to collect fees owed to the board, including filing  
19           a suit.

20           (4) Direct the division to act on its behalf in any manner relative to  
21           investigation, inspection, and enforcement.

22           §506. Rulemaking

23           A. The board shall adopt rules to provide:

24           (1) Procedures for applying for a license and seeking renewal of a license.

25           (2) A process for counting and collecting net gaming proceeds.

26           (3) A standard for determining whether changes in interests in various  
27           licensees are sufficiently significant such that to continue the license in the licensee  
28           would violate the prohibition in R.S. 27:514(B).

1           (4) A description of the types of electronic gaming devices which may be  
2           operated and the games which may be permitted on such devices. No game may be  
3           permitted on such devices by description of the board which resembles a game the  
4           play of which requires, or typically includes, the participation of another natural  
5           person.

6           (5) The application forms for the license to conduct gaming as provided for  
7           by the provisions of this Chapter.

8           B. The board may adopt rules to provide for the following:

9           (1) Governing the issuance of any license or permit authorized by this  
10          Chapter.

11          (2) Prescribing the methods and forms of application that an applicant for a  
12          license must complete before consideration by the division.

13          (3) Prescribing the methods and forms for delivery of information concerning  
14          a person's family, habits, character, associates, criminal record, business activities,  
15          and financial affairs.

16          (4) Prescribing procedures for the fingerprinting of an applicant for a license  
17          or an employee of a licensee and methods of identification that may be necessary to  
18          accomplish effective enforcement of restrictions on access to restricted areas of a  
19          riverboat.

20          (5) Prescribing the method for approval of the areas of operation, the rules  
21          and odds of authorized games, and the devices permitted.

22          (6) Prescribing grounds and procedures for the revocation, limitation, or  
23          suspension of licenses and permits.

24          (7) Governing the manufacture, distribution, sale, and servicing of gaming  
25          devices and equipment.

26          (8) Prescribing the method of review by the division of internal control and  
27          accounting procedures, including security standards to ensure effective disclosure of  
28          all financial information.

1           (9) Requiring periodic financial reports and the form of the reports, including  
2           an annual audit prepared by a certified public accountant licensed to do business in  
3           Louisiana, attesting to the financial condition of a licensee and disclosing whether the  
4           accounts, records, and control procedures examined are maintained by the licensee  
5           in compliance with the requirements of this Chapter.

6           (10) Regarding the reporting of transfers of an economic interest in a  
7           licensee.

8           (11) Requiring a standard of maintenance of electronic gaming devices.

9           (12) Establishing a schedule of penalties for violations of the provisions of  
10          this Chapter or any rules adopted by the board.

11          C. All rules shall be adopted in accordance with the provisions of the  
12          Administrative Procedure Act.

13          §507. Division; powers and duties

14          The division shall:

15               (1) Upon the direction of the board, investigate any applicant or licensee,  
16               make any other investigation or inspection, or take any enforcement action necessary  
17               to implement the provisions of this Chapter.

18               (2) Subject to the direction of the board, establish, maintain, and operate the  
19               central computer system for the monitoring and reading of electronic gaming devices  
20               as provided for in R.S. 27:523.

21               (3) Upon the direction of the board, inspect and examine all premises where  
22               electronic gaming devices are offered for play or where electronic gaming devices or  
23               equipment are manufactured, sold, or repaired.

24               (4) Upon the direction of the board, inspect or examine and seize and  
25               impound all electronic gaming devices or equipment and supplies or records related  
26               to operating electronic gaming devices.

27               (5) Report to the board any violation of law or rule discovered by the  
28               division.



1           (1) The applicant has met the standards provided in R.S. 27:28.

2           (2) The applicant is capable of conducting gaming operations, which means  
3           that the applicant can demonstrate the capability, either through training, education,  
4           business experience, or a combination of the above to operate a gaming casino.

5           (3) The proposed financing of the domestic cruiseship and the gaming  
6           operations is adequate for the nature of the proposed operation and from a source  
7           suitable and acceptable to the board.

8           (4) The applicant must demonstrate a proven ability to operate the domestic  
9           cruiseship so as to ensure the safety of its passengers. The applicant must  
10          demonstrate that each employee involved with navigation and passenger safety holds  
11          United States Coast Guard approved certification for lifeboat, firefighting, and first  
12          aid.

13          §510. Domestic cruiseship criteria

14           A domestic cruiseship shall meet all of the following criteria:

15           (1) Carries a valid Certificate of Inspection issued by the United States Coast  
16           Guard with regard to the carriage of passengers on rivers or waterways within the  
17           state of Louisiana.

18           (2) Carries a valid Certificate of Inspection from the United States Coast  
19           Guard for the carriage of a minimum of four hundred seventy-six passengers and  
20           crew.

21           (3) Provides overnight berths for more than four hundred passengers.

22          §511. Investigation by division

23           A. The division shall conduct a suitability investigation on the applicant to  
24           determine if the applicant meets the criteria for suitability to conduct gaming which  
25           are set forth in R.S. 27:509 and in any rules adopted by the board .

26           B. The division shall conduct an investigation of the domestic cruiseship to  
27           determine whether the domestic cruiseship meets the criteria set forth in R.S. 27:510  
28           and in any rules adopted by the board.

1           C. Following the investigation by the division, the division shall submit the  
2           investigative reports to the board for analysis, review, and action pursuant to the  
3           provisions of this Chapter.

4           §512. Suitability determination

5           A. The board shall make a determination whether the applicant meets the  
6           criteria for suitability to conduct gaming on a domestic cruiseship which are set forth  
7           in R.S. 27:509 and in any rules adopted by the board.

8           B. The board shall make a determination whether the domestic cruiseship  
9           meets the criteria set forth in R.S. 27:510 and in any rules adopted by the board.

10          C. The board shall request any additional information or documentation from  
11          the applicant the board requires to make the determinations required by the  
12          provisions of this Section.

13          D. If the board determines that the applicant meets the criteria for suitability  
14          to conduct gaming on a domestic cruiseship which are set forth in R.S. 27:509 and  
15          in any rules adopted by the board and that the domestic cruiseship meets the criteria  
16          set forth in R.S. 27:510 and in any rules adopted by the board, then the board shall  
17          issue a license to conduct gaming on a domestic cruiseship.

18          §513. License term; nontransferrable

19          A. The term of the license to conduct gaming shall be for five years and shall  
20          be renewed for succeeding five-year periods upon application for such renewal,  
21          provided such application includes all revisions to the information in the original  
22          application which are necessary to maintain such information as both accurate and  
23          current and provided the board continues in its finding of suitability and compliance  
24          with the provisions of this Chapter.

25          B. The license provided for in this Section shall not be transferrable.

26          §§514 - 519. (Blank)

1 PART IV. CONDUCTING OF GAMING2 §520. Conducting gaming pursuant to license

3 A. The holder of a license issued pursuant to the provisions of this Chapter  
4 shall be authorized to conduct gaming as provided by the provisions of this Chapter  
5 and in any rules adopted by the board pursuant to the provisions of this Chapter.

6 B. Wagering on a domestic cruiseship may be made with tokens, chips,  
7 vouchers, coupons, or electronic cards issued by the licensed eligible facility or an  
8 approved facility manager acting on behalf of the facility. Electronic cards may be  
9 used which are affixed with a magnetic storage media, a "smart card" or those  
10 containing an integrated circuit chip, but excluding credit cards issued by any other  
11 entity or institution.

12 §521. Gaming prohibited while domestic cruiseship docked; length of excursion

13 A. No gaming may be conducted while a domestic cruiseship is docked.

14 B. An excursion shall last for a duration of at least forty-eight hours.

15 §522. Requirements for electronic gaming devices

16 Electronic gaming devices operated on a domestic cruiseship shall:

17 (1) Be inspected by the board or its designee for certification and compliance.

18 (2) Have a serial number or other identification number permanently affixed  
19 to the device by the manufacturer.

20 (3) Be connected to a central computer operated as provided for in R.S.  
21 27:523 and maintained as directed by the board.

22 (4) Offer the same minimum winning percentage and payout as electronic  
23 gaming devices on riverboats.

24 §523. Electronic gaming devices; central computer system

25 A. Any electronic gaming device which is included in the definition of  
26 "game", "gaming device", "gaming equipment", or "slot machine" in R.S. 27:503(5),  
27 (7), or (11), or which is included in the definitions in the rules adopted or enforced  
28 by the Louisiana Gaming Control Board, or which is otherwise regulated by this

1        Chapter shall be linked by telecommunication to a central computer system for  
2        purposes of monitoring and reading device activities as provided in this Section.

3                B. The central computer system authorized by the provisions of this Section  
4        shall be designed and operated to allow the monitoring and reading of electronic  
5        gaming devices on licensed domestic cruiseships for the purposes of maintaining the  
6        security and integrity of the devices and the integrity of the information reported to  
7        the system, so that the fiscal responsibility of the licensees with regard to their  
8        obligations to the state will be ensured. The central computer system authorized by  
9        the provisions of this Section shall be located within and administered by the  
10       Department of Public Safety and Corrections, office of state police, riverboat gaming  
11       division.

12               C. The central computer system shall be capable of monitoring and reading  
13       financial aspects of each electronic gaming device such as cash in, cash out, amount  
14       played, amount won, games played, and games won. As used in this Subsection,  
15       "cash" means coins, currency, tokens, credits, or any other thing of value which is  
16       used to play or operate an electronic gaming device or which is used to pay the  
17       winnings from playing or operating an electronic gaming device.

18               D. The central computer system shall provide for the monitoring and reading  
19       of exception code reporting such as an online computer alert, alarm monitoring  
20       capability to insure direct scrutiny of conditions detected and reported by the  
21       electronic gaming device, including any device malfunction, any type of tampering,  
22       and any open door to the drop area.

23               E. The central computer system shall not provide for the monitoring or  
24       reading of personal or financial information concerning patrons of gaming activities  
25       conducted on a domestic cruiseship.

26               F. The Louisiana Gaming Control Board shall adopt rules necessary for the  
27       implementation of the provisions of this Section. All rules shall be adopted in  
28       accordance with the Administrative Procedure Act and the provisions of R.S.  
29       27:15(B)(8) and R.S. 27:24. The rules shall ensure that the security and integrity of

1 the electronic gaming devices are preserved and that the information transmitted to  
2 the central computer system through telecommunication is complete and accurate and  
3 will facilitate regulatory efforts to insure that licensees fulfill their financial  
4 obligations to the state. The rules shall provide for the orderly and efficacious  
5 collection and payment of the fee provided for by this Section and may provide for  
6 the payment of the fee at the same time as other fees owed by the licensee to the  
7 Louisiana Gaming Control Board or the division.

8 G. The Department of Public Safety and Corrections, office of state police,  
9 shall impose and collect an annual fee not in excess of fifty dollars on each electronic  
10 gaming device linked by telecommunication to the central computer system as  
11 provided by this Section. The purpose of the fee shall be to defray the costs to the  
12 state of acquiring, implementing, and maintaining the central computer system as  
13 provided for in this Section. The annual fee shall be established in an amount which  
14 will generate an amount of funds in each fiscal year which is equal to the projected  
15 cost of administering the system for that fiscal year. No additional fee shall be  
16 imposed with respect to the central computer system. This fee shall be in addition  
17 to any other fee provided for by this Chapter. The fee shall be subject to the  
18 following provisions:

19 (1) The fee shall be collected each state fiscal year. The initial fee shall be  
20 due when the electronic gaming device is linked by telecommunication to the central  
21 computer system.

22 (2) The Department of Public Safety and Corrections, office of state police,  
23 shall hold a public hearing on the proposed fee during the month of January of the  
24 year preceding the fiscal year in which the fee is to be effective. The public shall be  
25 allowed a reasonable opportunity to comment on the proposed fee in the hearing and  
26 shall be allowed a reasonable opportunity to submit written comments and related  
27 information concerning the proposed fee.

28 (3) The Department of Public Safety and Corrections, office of state police,  
29 shall submit the proposed fee to the House Committee on Administration of Criminal

1        Justice and the Senate Committee on Judiciary, Section B no later than March  
2        fifteenth of each year. The Department of Public Safety and Corrections, office of  
3        state police, shall submit to those committees information and documentation which  
4        establishes that the level of regulation is consistent with the purposes of this Section  
5        and that the amount of the proposed fee is limited to generating funds to defray the  
6        costs of administering the central computer system for that fiscal year.

7                (4) No fee shall be imposed or collected unless the legislative committees  
8        with jurisdiction over gaming matters as provided by legislative rule have found that  
9        the information and documentation submitted by the Department of Public Safety and  
10       Corrections, office of state police, is sufficient to justify the amount of the proposed  
11       fee and those committees have affirmatively approved the amount of the proposed  
12       fee.

13               H. The telecommunication between electronic gaming devices on licensed  
14       domestic cruiseships and the central computer system shall be in continuous  
15       operation at all times while the domestic cruiseship is docked. All information  
16       required by this Section shall be stored during the time of any excursion and  
17       immediately communicated to the central computer system upon docking following  
18       each excursion.

19               I. The state of Louisiana shall not be responsible for any costs associated  
20       with upgrading any electronic gaming device to enable the device to be linked for  
21       telecommunication with the central computer system provided for by this Section.  
22       All costs associated with such an upgrade shall be paid by the licensee.

23        §524. Gaming area limitations

24               The size of the designated gaming area in a domestic cruiseship shall not  
25       exceed one hundred ten gaming positions. Gaming positions shall be defined by rule  
26       adopted by the board. All rules shall be adopted in accordance with the provisions  
27       of R.S. 27:15(B)(8), R.S. 27:24, and the Administrative Procedure Act.

1 PART V. FEES2 §525. Application and investigation fees

3 An initial application fee of fifty thousand dollars shall be paid at the time of  
4 filing the application for a license to defray the costs associated with the background  
5 investigation conducted by the division pursuant to the provisions of R.S. 27:511.  
6 If the cost of the investigation is less than fifty thousand dollars, the applicant shall  
7 after completion of the investigation receive a refund of the remaining amount. If the  
8 cost to the division exceeds the initial investigation fee of fifty thousand dollars, the  
9 board shall inform the applicant of the additional projected cost and shall require the  
10 applicant to remit additional funds, not to exceed fifty thousand dollars, to complete  
11 the initial investigation.

12 §526. Annual fees

13 The division shall annually collect a fee of two thousand dollars for each  
14 gaming position on the domestic cruiseship.

15 §§527 - 530. (Blank)16 PART VI. PROHIBITED ACTIVITIES17 §531. Prohibited relationships

18 A. In addition to any prohibition found in Chapter 15 of Title 42 of the  
19 Louisiana Revised Statutes of 1950, no person employed by or performing any  
20 function on behalf of the board or the division shall:

21 (1) Be an officer, director, owner, or employee of any person or entity  
22 licensed by the board.

23 (2) Have or hold any interest, direct or indirect, in or engage in any  
24 commerce or business relationship with any entity licensed by the board.

25 B. No elected public official as defined in R.S. 42:1 shall engage in any  
26 business activity with a licensee except as a patron.

27 C. As used in this Section, business activity shall specifically include but is  
28 not limited to contracts:

29 (1) For the sale or purchase of goods, merchandise, and services.

1           (2) To provide or receive legal services, advertising, public relations, or any  
2           other business or personal service.

3           (3) For the listing, purchase, or sale of immovable property or options or real  
4           rights relating thereto.

5           (4) Modifying ownership or possessory interests in stocks, bonds, securities,  
6           or any financial instruments.

7           D. The Board of Ethics shall administer and enforce the provisions of  
8           Subsections A and B of this Section. The procedures provided for in the Code of  
9           Governmental Ethics shall apply to the administration and enforcement of the  
10          provisions of Subsections A and B of this Section.

11          §532. Illegal lottery devices

12           Notwithstanding any provision of law to the contrary, no electronic gaming  
13          device operated according to the provisions of this Chapter shall be considered an  
14          illegal lottery device for purposes of R.S. 47:9075.

15          §533. Crimes and penalties; unauthorized gaming devices; skimming of gaming  
16          proceeds; payroll check cashing; gambling devices

17           A. Except as otherwise permitted by law, any person who conducts gaming  
18          without the license required by this Chapter or at other than a domestic cruiseship  
19          shall, upon conviction, be imprisoned with or without hard labor for not more than  
20          ten years or be fined not more than ten thousand dollars, or both.

21           B. Any person who intentionally excludes, or takes any action in an attempt  
22          to exclude, anything or its value from the deposit, counting, collection, or  
23          computation of revenues from electronic gaming device activity shall be imprisoned  
24          at hard labor for not less than one year nor more than ten years and may be fined not  
25          more than twenty-five thousand dollars.

26           C. Any owner of a domestic cruiseship who has been granted a license to  
27          operate gaming who cashes or accepts for cashing or permits any employee or other  
28          person to cash or accept for cashing an identifiable employee payroll check in the

1 designated gaming area shall, upon conviction, be imprisoned for not more than six  
2 months or fined not more than five thousand dollars, or both.

3 D. Any electronic gaming device used or offered for play in violation of the  
4 provisions of this Chapter, except as otherwise permitted by law, shall be considered  
5 a gambling device for purposes of R.S. 15:31.

6 §534. Allowing underage persons to conduct gaming; penalties; revocation of  
7 license

8 A.(1) No person under the age of twenty-one shall enter, or be permitted to  
9 enter, the designated gaming area of the domestic cruiseship and shall not play or  
10 operate, nor be allowed to play or operate an electronic gaming device or play any  
11 game.

12 (2) The person licensed pursuant to provisions of this Chapter shall withhold  
13 all winnings from patrons who are determined to be under the age of twenty-one and  
14 shall remit such winnings to the division.

15 B. The board shall revoke the license of any person issued pursuant to the  
16 provisions of this Chapter who is found by the board to have committed or allowed  
17 a violation of Subsection A of this Section.

18 C. Any licensee, employee, or other person who intentionally violates or  
19 permits the violation of any of the provisions of this Section may be imprisoned for  
20 not more than six months or fined not more than five hundred dollars, or both.

21 D. In any prosecution or other proceeding for the violation of any of the  
22 provisions of this Section, it shall only be a defense that the licensee, employee, or  
23 other person or agent of authority believed the underage person to be twenty-one  
24 years old or over, if the licensee, employee, or other person or agent of authority took  
25 affirmative steps to verify the age of the underage person.

26 E. A gaming licensee or operator, or a specifically authorized employee or  
27 agent of a gaming licensee or operator, may use reasonable force to detain a person  
28 for questioning on the premises of the gaming establishment for a length of time not  
29 to exceed sixty minutes, unless it is reasonable under the circumstances that the

1        person be detained longer, when he has reasonable cause to believe that the person  
2        has violated the provisions of this Section. The licensee or operator or his employee  
3        or agent may also detain such a person for arrest by a peace officer. The detention  
4        shall not constitute an arrest.

5                                    **PART VII. MISCELLANEOUS PROVISIONS**

6        §535. Appeals

7                    A person whose application for a license has been denied, or whose license  
8        has been issued subject to a condition or whose license has been suspended or  
9        revoked, or against whom a civil penalty has been imposed as provided for in this  
10       Chapter, has the right to a hearing before the board pursuant to the provisions of R.S.  
11       27:25 and an appeal from a decision of the board, pursuant to the provisions of R.S.  
12       27:26.

13       §536. Toll-free telephone assistance for compulsive gamblers; posting of signs on  
14       premises

15                    The board shall require the posting of one or more signs at points of entry to  
16       the gaming areas to inform customers of the toll-free telephone number available to  
17       provide information and referral services regarding compulsive or problem gambling.

18       Section 2. This Act shall become effective upon signature by the governor or, if not  
19       signed by the governor, upon expiration of the time for bills to become law without signature  
20       by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
21       vetoed by the governor and subsequently approved by the legislature, this Act shall become  
22       effective on the day following such approval.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

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Murray

HB No. 1719

**Abstract:** Authorizes the conducting of gaming on a domestic cruiseship.

Proposed law (R.S. 14:90(B)(2) and (F)) excepts gaming on domestic cruiseships from the prohibition against gambling. Provides for criteria of a domestic cruiseship.

Proposed law (R.S. 14:90.3(F)) excepts gaming activities on a domestic cruiseship from prohibitions against gambling by computer.

Proposed law (R.S. 27:3(14), (16), and (18), 27.1(C), 29.2(B) and (D), 29.3(A) and (D), and 29.4(D)) provides that provisions of present law regarding the uniform and compulsive problem gambling program and permits for non-gaming suppliers, key and non-key gaming employees apply to licensees authorized to conduct gaming pursuant to proposed law.

Proposed law provides that the Louisiana Gaming Control Board shall have all regulatory authority regarding the licensing of gaming on a domestic cruiseship. (R.S. 27:505)

Proposed law provides for the adoption of rules by the board in accordance with the APA and provides for the purposes of some of those rules. (R.S. 27:506)

Proposed law provides for the powers and duties of the gaming division, office of state police, with respect to proposed law. (R.S. 27:507)

Proposed law provides for the following suitability criteria (R.S. 27:509):

- (1) The applicant has met the suitability standards provided in present law. (R.S. 27:28)
- (2) The applicant is capable of conducting gaming operations, which means that the applicant can demonstrate the capability, through either training, education, business experience, or a combination of them, to conduct such activities.
- (3) The proposed financing of the domestic cruiseship and the gaming operations is adequate for the nature of the proposed operation and from a source suitable and acceptable to the board.
- (4) The applicant must demonstrate a proven ability to operate the domestic cruiseship so as to ensure the safety of its passengers. The applicant must demonstrate that each employee involved with navigation and passenger safety holds United States Coast Guard approved certification for lifeboat, firefighting, and first aid.

Proposed law provides for the following criteria for the domestic cruiseship (R.S. 27:510):

- (1) Carries a valid Certificate of Inspection issued by the United States Coast Guard with regard to the carriage of passengers on rivers or waterways within the state of Louisiana.
- (2) Carries a valid Certificate of Inspection from the United States Coast Guard for the carriage of a minimum of 476 passengers and crew.
- (3) Provides overnight berths for more than 400 passengers.

Proposed law provides for the following procedure to obtain a license to conduct gaming on a domestic cruiseship.

- (1) Application to the board for license. (R.S. 27:508)
- (2) Investigation by division to determine whether applicant meets suitability criteria and domestic cruiseship meets criteria provided by proposed law and rules. (R.S. 27:511)
- (3) Determination by board of suitability of applicant and that domestic cruiseship meets criteria of proposed law and rules adopted by the board. (R.S. 27:512)

Proposed law (R.S. 27:513) provides that the license to gaming on a domestic cruiseship has a term of five years and this license is not transferrable.

Proposed law (R.S. 27:520) provides that wagering on the domestic cruiseship may be made with tokens, chips, vouchers, coupons, or electronic cards issued by the licensed eligible facility or an approved facility manager acting on behalf of the facility. 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.

Proposed law (R.S. 27:521) provides that no gaming shall be conducted while the domestic cruiseship is docked and provides that excursions shall last for a duration of at least 48 hours.

Proposed law (R.S. 27:522) provides that the electronic gaming devices shall:

- (1) Be inspected by the board or its designee for certification and compliance.
- (2) Have a serial number or other identification number permanently affixed to the device by the manufacturer.
- (3) Be connected to a central computer operated and maintained as directed by the board.
- (4) Offer the same minimum winning percentage and payout as electronic gaming devices on riverboats.

Proposed law (R.S. 27:523(A)-(F)) provides that all electronic gaming devices on the domestic cruiseship be connected to a central computer system for the monitoring reading of financial information of those devices. Proposed law provides that these devices be connected to central computer system while the domestic cruiseship is docked and while on an excursion, the information be stored and downloaded when the domestic cruiseship is docked.

Proposed law (R.S. 27:523(G)) provides that state police shall impose and collect annually a fee not to exceed \$50 for each electronic gaming device to defray costs for maintaining the central computer system. This fee is subject to legislative review.

Proposed law (R.S. 27:524) provides that the size of the designated gaming area in the domestic cruiseship shall not exceed 3,700 square feet.

Proposed law (R.S. 27:525) provides for an initial application fee of \$50,000 for a license to conduct gaming on a domestic cruiseship.

Proposed law (R.S. 27:526) provides that the division shall annually collect a fee of \$2,000 for each gaming position on the domestic cruiseship.

Proposed law (R.S. 27:531) provides for prohibited relationships regarding employees, manufacturers, distributors, slot machine owners, as well as elected officials.

Proposed law (R.S. 27:532) provides that no electronic gaming device operated according to the provisions of proposed law shall be considered an illegal lottery device for purposes of present law.

Proposed law (R.S. 27:533) provides for the crimes of skimming of electronic gaming device proceeds, unauthorized operation of slot machines, and payroll check cashing and provides penalties for those offenses. Also provides that an electronic gaming device used or offered for play in violation of proposed law shall be considered a gambling device for the purposes of present law.

Proposed law (R.S. 27:534) provides for the crime of allowing persons under the age of 21 to enter the designated gaming area or play electronic gaming devices and provides penalties for that offense.

Proposed law (R.S. 27:536) provides that the board shall require the posting of one or more signs at points of entry to the gaming areas to inform customers of the toll-free telephone number available to provide information and referral services regarding compulsive or problem gambling.

(Amends R.S. 14:90(B) and 90.3(F) and R.S. 27:3(14), (16), and (18), 27.1(C), 29.2(B) and (D), 29.3(A) and (D), and 29.4(D); Adds R.S. 14:90(F) and R.S. 27:501-536)