

Amid Budget Tensions, Louisiana Lawmakers Busy With Gaming Bills

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Bills seeking to legalize daily fantasy sports, online gambling, and sports betting were among the measures introduced in Baton Rouge as Louisiana's gaming industry could see substantial changes during the 2018 legislative session.

The regular session opened Monday, with lawmakers and Governor John Bel Edwards, a Democrat, facing an estimated \$700m shortfall when the new budget year begins on July 1.

"A change in the computer prohibition to allow online gaming would be a significant change in Louisiana," said Kelly Duncan, an attorney with Jones Walker and co-chair of the firm's gaming practice.

"[Allowing online gaming] would make the state more competitive with other states where online gaming is allowed, much less prove to be an important revenue source," Duncan told GamblingCompliance.

[Senate Bill 322](#), which was authored by Republican Senator Daniel Martiny, is one of almost three dozen bills introduced for the 2018 legislative session, a move regulators have not seen in almost 20 years.

Martiny was unavailable for comment. Lawmakers have pre-filed more than 1,100 bills, including a total of [32 gaming bills](#).

"This is the first time since the early 1990s that we have had so much proposed change," said Ronnie Jones, chairman of the Louisiana Gaming Control Board (LGCB). "It's like every sector is looking for something."

Although Jones believes online gaming would drastically alter the state's betting landscape, he said he was focused on implementing the recommendations proposed by the Riverboat Economic Development and Gaming Task Force.

"I want to see those changes succeed," said Jones, who chaired the task force. "We spent 18 months crafting them, we didn't just wake up one morning and say, hey lets change the law."

In January, the [task force unanimously approved](#) moving casinos on riverboats to dry land and allowing them to operate larger gaming floors, but declined to reduce or eliminate the tax on promotional or free-play credits.

Currently, Martiny's bill is pending in the Senate Judiciary Committee. A referendum also would be needed in order for the state to allow online gambling in any state county.

Among the other bills introduced this month was [House Bill 245](#), filed by Democratic Representative Major Thibaut, which would allow sports betting at the state's four horse racetracks: Delta Downs; Evangeline Downs; Fair Grounds; and Louisiana Downs. Two further sports-betting bills are also pending in the Louisiana Senate.

The power to regulate sports betting would be given to the Louisiana Gaming Control Board.

But before gaming regulators could establish rules and guidelines to oversee the industry, the U.S. Supreme Court or Congress would have to overturn the federal Professional and Amateur Sports Protection Act (PASPA) of 1992.

The U.S. Supreme Court is expected to issue a decision on [Murphy v National Collegiate Athletic Association](#), New Jersey's closely-watched challenge against PASPA, in the first half of this year.

[House Bill 484](#) would regulate paid-entry fantasy sports. The bill gives regulators the authority to design and implement rules and regulations for daily fantasy sports operators.

Both the fantasy sports and sports-betting bills would also have to be approved by referendum.

Duncan said if the legislature is unwilling to approve online gaming, then consideration should be given to sports betting and daily fantasy sports "to take place on the premises of licensed Louisiana casinos."

"As casino gaming has been authorized in the state for nearly 25 years, citizens, much less our legislators, have come to recognize that gaming ... has generated significant job creation, capital investment ... and an important revenue source for the state government," Duncan said.

In 2017, the state collected \$710m in gaming taxes, according to the control board.

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