

## Louisiana Gaming Bill Stalled Over Minority Worker Debate

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A bill that would allow Louisiana's 15 riverboat casinos to move on land has been blocked in the state Senate by several lawmakers who are angry the measure's sponsor voted against legislation that would raise the state's minimum wage.

"The issue with [the casino bill] is not trying to attach a minimum wage component" to the legislation, Wade Duty, executive director of the Louisiana Casino Association, told GamblingCompliance on Monday. "The vote stalled because of legislative concerns about the author and his position on other minimum wage legislation."

Last month, Ronnie Johns, author of Senate Bill 316, voted against measures that would have raised Louisiana's minimum wage from \$7.25 per hour to \$8.50 per hour.

SB 316 would allow riverboats to move on shore as long as the new locations are within 1,200 feet of the current site, and would replace the current cap of 30,000 square feet of gaming floor space with a limit of 2,365 gambling positions per casino.

Senator Gregory Tarver, a Democrat, and several other members of the Louisiana Black Caucus told The Advocate newspaper they are opposing Johns' bill for now because "[Sen. Johns] should have voted for" Senate Bill 162, which lost by a 17-21 vote on the Senate floor.

Tarver was unavailable for comment on Monday.

In the background are lawmakers' concerns that casinos are not meeting voluntary commitments to hiring minority and women workers, sources told GamblingCompliance.

"They are trying to get Johns to put something on the bill to force compliance and he knows he can't do that," according to a source with knowledge of Louisiana gaming regulations.

Kelly Duncan, a partner with Jones Walker law firm in New Orleans, told GamblingCompliance that "in the past the gaming division of the Louisiana Department of Justice has been reluctant to make the hiring of minorities and women by Louisiana casinos a license condition."

Duncan cited an early 2000s ruling by the U.S. District Court for the District of New Jersey that provisions in the New Jersey Casino Control Act requiring the hiring of minority workers were unconstitutional.

"Whether a similar finding would be made relative to legislation adopted in Louisiana would depend on a number of factors that would have to be considered," Duncan said.

"While legislation could be proposed ... that would impose penalties on a casino for its failure to meet specific minimal hiring requirements, the question is whether such limitations, if contested, ultimately would pass constitutional muster."

In March, SB 316 was vocally opposed in committee by Tarver and Karen Peterson, a Democrat, who felt the casino industry lacked economic development opportunities to help minorities and women.

"They are still in negotiations and right now the black caucus isn't comfortable yet so [Johns'] bill will sit [in the Senate] until he knows he has the votes," a source told GamblingCompliance.

Louisiana appeared to be on the verge of approving substantial changes to its decades-old gaming laws this legislative session with lawmakers having introduced more than 30 gaming bills for consideration.

Now, a month into the session, roughly half of those gaming bills have died on the vine.

According to sources, Democratic Governor John Bel Edwards is only supporting two gaming bills: SB 316 and House Bill 553.

Authored by House Speaker Taylor Barras, HB 553 would renew the license of the Harrah's New Orleans Hotel and Casino for a further 30 years on the condition that the casino invests a further \$350m in non-gaming amenities.

Governor Edwards could not be reached for comment.

Last week, a Senate committee considered a handful of bills but only advanced Senate Bill 266, which would allow for a sports-betting referendum, while deferring an online gambling bill for the time being.

"[SB 266] made it out of committee but it's going to have a hard time on the Senate floor simply because when it started out, it was only land-based and riverboats [that could obtain sports-betting licenses] but it was amended to allow racetracks and video poker machine [operators as well]," a source said.

Sports-betting legislation faces a difficult road to approval as another wagering proposal, <u>House Bill 245</u>, was recently rejected by the House Criminal Justice Committee by a vote of 5-6.

Authored by Major Thibaut, a Democrat, HB 245, would have only allowed sports betting at racetracks.

"My gut tells me, the chances of survival of that bill have been reduced," the source said of SB 266 in the Senate.

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