State of Louisiana
Gaming Control Board

BOBBY JINDAL
GOVERNOR

RONNIE JONES
CHAIRMAN

The Honorable Charles E. "Chuck" Kleckley
Speaker, Louisiana House of Representatives
P.O. Box 94062
Baton Rouge, LA 70804-9062

RE: Notice of Intent – LAC 42:XI.2405

Dear Sir:

Pursuant to the provisions of La. R.S. 49:968(B), the Louisiana Gaming Control Board submits the following:

1. Copies of the approved Fiscal and Economic Impact Statement.
2. Copies of the Family Impact Statement.
3. Copies of the Poverty Impact Statement.
4. Copies of the Provider Impact Statement.
5. Copies of the Small Business Impact Statement.
6. Copies of the Notice of Intent.
7. Copies of the current rule.
8. Copies of the final proposed rule.

Sincerely,

Ronnie Jones, Chairman
Louisiana Gaming Control Board

01-06-14
Date

RJ/EGP/jb

7901 Independence Boulevard, Building A, Baton Rouge, LA 70806
Phone: (225) 925-1846 Fax: (225) 925-1917

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

Person Preparing Statement:	Matthew H. Long	Dept.:	Public Safety and Corrections
Phone:	(225) 326-6500	Office:	Gaming Control Board
Return Address:	P.O. Box 94005	Rule Title:	LAC 42:XI.2405
	Baton Rouge, LA 70804-9005		
		Date Rule Takes Effect:	Upon promulgation

SUMMARY
(Use complete sentences)

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change will have no effect on state or local governmental expenditures.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change will nominally increase revenue collections for the Gaming Control Board. The amendments to LAC 42:XI.2405(B)(11) provide that licensees can renew licenses after temporarily surrendering them due to a force majeure event, provided they submit an application with the required fees. To the extent licensees temporarily surrender their licenses due to force majeure events and apply to renew them, the Gaming Control Board will see a nominal increase of revenues associated with the license renewal fees.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

The proposed rule change will have a nominal effect on expenditures for Video Draw Poker licensees within the State of Louisiana. The amendments to LAC 42:XI.2405(B)(11) provide that licensees can renew licenses after temporarily surrendering them due to a force majeure event, provided they submit an application with the required fees. To the extent licensees temporarily surrender their licenses due to force majeure events and apply to renew them, they will see a nominal increase in expenditures statewide. Currently Video Draw Poker license fees are $1,100 for bars, restaurants, hotels, and racetracks/off-track betting facilities. License fees are $10,100 for truck stop facilities.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change will have no effect on competition and employment.

Signature of Agency Head or Designee

Evan Brasseaux, Staff Director
Legislative Fiscal Officer or Designee

Ronnie Jones, Chairman
Typed Name & Title of Agency Head or Designee

1-7-16
Date of Signature

1/8/16
Date of Signature

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The proposed rule changes amend LAC 42:XI.2405(B)(10) and 2405(B)(11), and clarify existing rules by separating Video Draw Poker license surrenders into two categories: non-force majeure surrender and force majeure surrender. As a result, Rule 2405(A)(10) outline procedures for force majeure surrender of a license and Rule 2405(B)(11) outlines the procedures for non-force majeure surrender of a license, including provisions allowing a waiver of surrenders for truck stop facilities that have an operating fuel facility.

The proposed changes to 2405(B)(10) simplify the rule to only outline procedures for non-force majeure surrender of a license, and otherwise are technical in nature.

The proposed amendments to 2405(B)(11) rule simplify the rule to only outline provision for non-force majeure surrender of a license, and provides for a waiver from the force majeure surrender provision specific to truck stops only, provided the truck stop's fuel facility is operating normally.

B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

This change is a result of continuous review of the current rules by the Louisiana Gaming Control Board to identify areas ripe for improvement.

C. Compliance with Act 11 of the 1986 First Extraordinary Session

(1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

No increase in expenditure of funds is anticipated by this rule change.

(2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ Yes. If yes, attach documentation.

(b) _____ NO. If no, provide justification as to why this rule change should be published at this time

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 15-16	FY 16-17	FY 17-18
Personal Services			
Operating Expenses			
Professional Services			
Other Charges			
Equipment			
Major Repairs & Constr.			
TOTAL	**$0**	**$0**	**$0**
POSITIONS (#)	**0**	**0**	**0**

2. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

There is no anticipated direct material effect on state governmental expenditures as a result of the proposed rule change.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 15-16	FY 16-17	FY 17-18
State General Fund			
Agency Self-Generated			
Dedicated			
Federal Funds			
Other (Specify)			
TOTAL	$0	$0	$0

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Sufficient funds are available to implement the proposed rule changes.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

The proposed rule change will have no effect on revenue collections of local governmental units.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

No sources of funding for local government will be affected.

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

REVENUE INCREASE/DECREASE	FY 15-16	FY 16-17	FY 17-18
State General Fund			
Agency Self-Generated			
Dedicated Funds*	INCREASE	INCREASE	INCREASE
Federal Funds			
Local Funds			
TOTAL	**$0**	**$0**	**$0**

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

The proposed rule change will nominally increase revenue collections for the Gaming Control Board. The amendments to LAC 42:XI.2405(B)(11) provide that licensees temporarily surrendering their license as a result of a force majeure event will be eligible to renew their licenses provided they submit an application with the required fees. To the extent licensees temporarily surrender their licenses due to force majeure events and apply to renew them, the Gaming Control Board will see a nominal increase of revenues associated with the license renewal fees.

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS

A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

The proposed rule change will have a nominal effect on expenditures for Video Draw Poker licensees within the State of Louisiana The amendments to LAC 42:XI.2405(B)(11) provide that licensees temporarily surrendering their license as a result of a force majeure event will be eligible to renew their licenses provided they submit an application with the required fees. To the extent licensees temporarily surrender their licenses due to force majeure events and apply to renew them, they will see a nominal increase in expenditures statewide. Currently Video Draw Poker license fees are $1,100 for bars, restaurants, hotels, and racetracks/off-track betting facilities. License fees are $10,100 for truck stop facilities.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

It is not anticipated that the proposed rule change will impact either receipts or income.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

The proposed rule change will have no effect on competition and employment.

State of Louisiana
Gaming Control Board

BOBBY JINDAL
GOVERNOR

RONNIE JONES
CHAIRMAN

FAMILY IMPACT STATEMENT

Pursuant to the provisions of La. R.S. 49:953(A) and 972, the Louisiana Gaming Control Board, through its chairman, has considered the potential family impact of amending LAC 42:XI.2405.

It is accordingly concluded that amending LAC 42:XI.2405 would appear to have no impact on the following:

1. The effect on stability of the family.

2. The effect on the authority and rights of parents regarding the education and supervision of their children.

3. The effect on the functioning of the family.

4. The effect on family earnings and family budget.

5. The effect on the behavior and personal responsibility of children.

6. The ability of the family or a local government to perform the function as contained in the proposed rule.

Ronnie Jones, Chairman

12/14/15
Date

RJ/MHL/jb

7901 Independence Boulevard, Building A, Baton Rouge, LA 70806
Phone: (225) 925-1846 Fax: (225) 925-1917

State of Louisiana
Gaming Control Board

BOBBY JINDAL
GOVERNOR

RONNIE JONES
CHAIRMAN

POVERTY IMPACT STATEMENT

Pursuant to the provisions of La. R.S. 49:953(A) and 973, the Louisiana Gaming Control Board, through its chairman, has considered the potential poverty impact of amending LAC 42:XI2405.

It is accordingly concluded that amending LAC 42:XI.2405 would appear to have no impact on the following:

1. The effect on household income, assets, and financial security.

2. The effect on early childhood development and preschool through postsecondary education development.

3. The effect on employment and workforce development.

4. The effect on taxes and tax credits.

5. The effect on child and dependent care, housing, health care, nutrition, transportation, and utilities assistance.

Ronnie Jones, Chairman

12/16/05
Date

RJ/MHL/jb

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Phone: (225) 925-1846 Fax: (225) 925-1917

State of Louisiana
Gaming Control Board

BOBBY JINDAL
GOVERNOR

RONNIE JONES
CHAIRMAN

PROVIDER IMPACT STATEMENT

Pursuant to the provisions of La. R.S. 49:953(A), the Louisiana Gaming Control Board, through its chairman, has considered the potential provider impact of amending LAC 42:XI.2405.

It is accordingly concluded that amending LAC 42:XI.2405 would appear to have no impact on the following:

1. The effect on the staffing level requirements or qualifications required to provide the same level of service.

2. The total direct and indirect effect on the costs to the provider to provide the same level of service.

3. The overall effect on the ability of the provider to provide the same level of service.

Ronnie Jones, Chairman

12/16/15
Date

RJ/MHL/jb

7901 Independence Boulevard, Building A, Baton Rouge, LA 70806
Phone: (225) 925-1846 Fax: (225) 925-1917

State of Louisiana
Gaming Control Board

BOBBY JINDAL
GOVERNOR

RONNIE JONES
CHAIRMAN

SMALL BUSINESS IMPACT STATEMENT

Pursuant to the provisions of La. R.S. 49:965.5 the Louisiana Gaming Control Board, through its chairman, has concluded that there will be **no** adverse impact on small businesses if LAC 42:XI.2405 is amended, as the changes will not apply to small businesses.

Ronnie Jones, Chairman

12/16/15
Date

RJ/MHL/jb

7901 Independence Boulevard, Building A, Baton Rouge, LA 70806
Phone: (225) 925-1846 Fax: (225) 925-1917

NOTICE OF INTENT

Department of Public Safety and Corrections
Louisiana Gaming Control Board

The Department of Public Safety and Corrections, Louisiana Gaming Control Board, in accordance with R.S. 27:15 and 24 and with the Administrative Procedure Act, R.S. 49:950 *et seq.*, hereby gives notice that it intends to amend LAC 42:XI.2405, Application and License.

Title 42
LOUISIANA GAMING
Part XI. Gaming Control Board

Chapter 24. Video Draw Poker
§2405. Application and License

A.1 – B.9. …

10. Non-Force Majeure Surrender of License

~~10.a.~~All licensees shall continue to operate the business described in the application during the term of the license. In the event ~~either~~ the business ~~or the video draw poker devices at the location are~~ is not in operation for a period of 30 consecutive calendar days during which the business would normally operate, for any reason other than damage caused by a force majeure event, the licensee and device owner shall immediately notify the division of such fact and the licensee shall immediately surrender its license ~~to the board or division~~.

~~b.~~a. If surrendered in accordance with Subparagraph B.10.~~a~~ of this Section, no video draw poker gaming ~~activities~~devices may be ~~conducted~~operated at the premises unless and until the license is returned to the licensee.

~~c.~~b. The license may be returned to the licensee when business operations are resumed for the unexpired term of the license provided that the license has not been revoked and is not under suspension and further provided that no more than 180 days has elapsed from the date the license was surrendered.

~~d.~~c. Licenses surrendered in accordance with Subparagraph B.10.~~a~~ of this Section shall not be subject to renewal unless the license has been returned to the licensee.

~~e.~~d. Failure to surrender the license as provided in Subparagraph B.10.~~a~~ of this Section shall constitute grounds for revocation, ~~or~~ suspension or non-renewal of the license.

11. Force Majeure

~~11.a.~~Within 15 days following a ~~force-majeure~~ force majeure event which has ~~not affected~~ damaged the licensed establishment and/or affected the operation of the business or its criteria or amenities, ~~video poker operation but necessitates closing any part of the licensed entity in order to make repairs, a~~ the licensee shall notify the division ~~which may, following an on-site inspection to evaluate damage to the premises, grant the licensee a 60-day waiver from the provisions of Subparagraph B.10.a of this Section.~~in writing of the event and resulting damage to the licensed establishment. The determination of whether the damage to the licensed establishment was the result of a force majeure event shall be solely within the discretion of the division.

a. All Licensed Establishments – Inability to Operate Business – Temporary Surrender

i. Within 30 days following a force majeure event which has affected the ability to operate the business described in the application, the licensee shall temporarily surrender its license.

ii. The license shall be eligible for renewal during the period of temporary surrender if a complete renewal application with required fees is submitted timely.

iii. No video draw poker gaming devices may be operated at the licensed establishment during the period of temporary surrender.

iv. When business operations resume, the licensee shall immediately notify the division in writing and request a compliance inspection.

v. Within 10 days following the compliance inspection, the license will be returned to the licensee if, following an on-site inspection of the licensed establishment, the division determines that the licensee is in compliance with all applicable physical amenities and permit requirements.

vi. A license may be revoked or suspended or a renewal application denied for reasons other than the inability to operate the business described in the application during the period of temporary surrender, including, without limitation, the failure to provide the notifications or surrender the license as required by Subparagraph B.11. of this Section.

b. Truck Stop Facilities Only – Fuel Facility Operational – Waiver of Surrender Requirement

i. A licensed truck stop facility may be granted a 60-day waiver from the surrender provisions of Subparagraph B.11.a. of this Section following a force majeure event which has not affected the operation of the fuel facility, but has resulted in the inability of the licensee to maintain and operate the on-site restaurant, the stable parking area, the onsite repair service, or any of its required amenities, provided that the licensee notifies the Division in writing of the damage to the licensed establishment in accordance with the notification requirement in Subparagraph B.11 of this Section and the Division determines, following an on-site inspection of the licensed establishment, that the damage was in fact the result of a force majeure event.

~~b.~~ii. The division may grant one 60-day extension if it determines that the licensee has made substantial progress towards completing the necessary repairs within the original ~~60-day~~ 60-day waiver period and the ~~applicant~~ licensee can demonstrate a reasonable likelihood of completing the necessary repairs within the next 60 days.

iii. No waiver shall be granted if the force majeure event has affected the ability of the licensee to operate the fuel facility.

~~c.~~iv. Under no circumstances shall a licensee continue video poker operations after the expiration of the 60-day waiver or any extension thereof granted by the division without completing the necessary repairs and resuming normal operations ~~for a period longer than 120 days~~. If the licensee has not completed necessary repairs and resumed normal operations, it shall immediately surrender the license upon the expiration of the 60-day waiver or any extension granted by the division.

v. When business operations resume, the licensee shall immediately notify the division in writing and request a compliance inspection.

vi. The license shall be eligible for renewal during the period of waiver if a complete renewal application with required fees is submitted timely.

vii. During the period of waiver, a license may be revoked or suspended or a renewal application denied, for reasons other than failure to operate that portion(s) of the business operations, criteria, and/or amenities for which the waiver was granted, including, without limitation, the failure to provide the notifications required in Subparagraph B.11. of this Section.

C. – D.7. …

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Gaming Enforcement Section, Video Gaming Division, LR 18:196 (February 1992), amended LR 21:582 (June

1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 23:1322 (October 1997), LR 24:955 (May 1998), LR 26:346 (February 2000), LR 26:2322 (October 2000), LR 27:61 (January 2001), LR 29:362 (March 2003), LR 30:267 (February 2004), repromulgated LR 30:439 (March 2004), amended LR 34:1037 (June 2008), LR 35:82 (January 2009), repromulgated LR 35:490 (March 2009), amended LR 36:2045 (September 2010), LR 38:2935 (November 2012), LR 40:1105, 1109 (June 2014), repromulgated LR 40:1382 (July 2014), amended LR 40:1384 (July 2014), LR 41:1498 (August 2015), LR

Public Comments

Interested persons may submit written comments to Matthew H. Long, Assistant Attorney General, Louisiana Department of Justice, Gaming Division, 1885 North Third Street, Fifth Floor, Baton Rouge, LA 70802. All comments must be submitted by 4:30 p.m. on February 10, 2015.

Ronnie Jones
Chairman

Maintenance—the routine servicing of any video gaming device, excluding the logic board, software, and electronic (soft) and mechanical (hard) meters, and other servicing which provides for the efficient operation of the device.

Major State Highway—a through highway as defined in R.S. 32:1 and which has been designated as a state highway by the Louisiana Department of Transportation and Development.

Minors—every natural person under the age of 18 years.

Mixed Patronage—a clientele which includes both minors and adults.

Nonvolatile Memory—a type of memory in which data stored in the memory is not lost when the power is turned off.

Notify or *Notification*—the act of providing notice of an event through written communication, including electronic transmission, as required by these rules.

Offense—any violation of the Act or these rules or any other criminal conduct.

Permittee—for purposes of these rules, shall have the same meaning as "video draw poker employee" as provided in R.S. 27:402.

Premises—land, together with all buildings, improvements, equipment, and personal property located thereon which is controlled by an applicant or a licensee, and associated with video gaming activities authorized by the Act.

Promote or *Promoting*—to engage in a *promotion*.

Promotion—an activity, prize, or event offered or held on the premises of a licensed video poker establishment for the purpose of directly encouraging or rewarding the play of video poker devices at the establishment. For the purpose of this Part, *promotion* does not include on-premises advertising of the promotional activity, prize, or event.

RAM Clear Chip—an erasable programmable read-only memory or other media memory storage device as approved by the division which contains a program specifically designed to clear volatile and nonvolatile memory sections of a logic board for a video gaming device.

Resident—any natural person who is domiciled in the state or who demonstrates that he maintains a permanent place of abode within the state, and who has resided and/or been domiciled in the state of Louisiana for a period of two years prior to the date of his application for a license.

Security Interest Holder—any person who loans money for the purpose of financing devices, and uses the devices as collateral. This shall also include a lessor of devices.

Shipment—any physical movement of a video gaming device from a manufacturer to a distributor, from a distributor to a device owner, or vice versa either into the state, from the state, or within the state.

Ticket Voucher—a ticket which is printed by a video gaming device by use of a player-activated switch providing the player with a printed record of credits owed.

Transfer—the physical movement of a video gaming device by a device owner to or from a licensed establishment where a change of ownership does not occur.

Validation Decal—the decal furnished by the division and placed on a device indicating that the device meets the criteria established by the division, and that the particular device has been enrolled by the division.

Video Gaming Device—for purposes of these rules, shall have the same meaning as video draw poker *device*.

Volatile Memory—a type of memory in which data stored in the memory is lost when the power is turned off.

Warehouse—a secure and limited access structure or room, approved by the division, utilized for the storage of video gaming devices and/or their components.

Written Reprimand—a written notification from the division to a licensee which outlines any violation of these rules.

AUTHORITY NOTE: Promulgated in accordance with R.S. 33:4862.1 et seq.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Gaming Enforcement Section, Video Gaming Division, LR 18:196 (February 1992), amended LR 21:582 (June 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 30:266 (February 2004), repromulgated LR 30:439 (March 2004), amended LR 32:108 (January 2006), LR 36:2045 (September 2010), LR 38:2935 (November 2012), LR 40:1108 (June 2014), repromulgated LR 40:1382 (July 2014).

§2405. Application and License

A.1. All applications for a license shall be submitted on forms provided by the division.

2. An application is not complete nor is it considered filed with the division unless it is submitted with the required fee, is signed by the applicant, and contains all information required by the division.

3. All new and renewal applications shall be submitted to the division by the United States Postal Service certified or registered mail, return receipt requested, private or commercial interstate carrier, electronic submission in accordance with Chapter 4 of Part III of this Title, hand delivery or other board-approved method of delivery.

4. All applicants shall be required to disclose any violation of an administrative regulation from any jurisdiction.

5. Except as otherwise provided in this Paragraph, all licensed establishment applications submitted to the division shall be for an existing and operating business.

a.i. An entity that intends to build a truck stop facility and apply for a Type V video gaming license is eligible to submit a notice of intent to build a truck stop facility on a form prescribed by the division if it either:

(a). provides proof of application to the local governing authority of the parish where the truck stop is to be located for a certificate of compliance with applicable zoning ordinances and building codes, a statement of approval for the operation of video draw poker devices at a truck stop facility as required by R.S. 27:452(C), and has published the public notices required by R.S. 27:419; or

(b). has applied with the appropriate authority for a building permit, and has published the public notices required by R.S. 27:419.

ii. The notice of intent to build a truck stop facility shall include:

(a). proof of application for a certificate of compliance with applicable zoning ordinances and a statement of approval of the operation of video poker devices from the applicable local governing authority or a statement that local approval is not required; or proof of application for a building permit filed with the appropriate governing authority; and

(b). proof of publication of the notice of intent to build a qualified truck stop facility as required by R.S. 27:419(A);

(c). proof of issuance of the press release required by R.S. 27:419(D); and

(d). a plat showing the location of the truck stop facility and the surrounding area identifying schools, churches, playgrounds, synagogues, public libraries, residences, and buildings on the National Historic Registry.

b. Once accepted by the division, a notice of intent to build a truck stop facility shall expire after one year.

c.i. An applicant for a Type V license may submit Form DPSSP 0031 and all other forms and fees required by the Board within 120 days of the planned completion of the truck stop facility and commencement of operations. Upon submission of these forms and fees, the Division may commence its investigation of the facility and all persons required to meet suitability.

ii. The applicant shall notify the Division in writing of all changes to any information provided on the application or required forms within 10 business days of the change.

iii. An application shall be considered withdrawn and the application fee forfeited if completion of the truck stop facility and commencement of operations does not occur within 180 days of the date the application is filed with the Division. The Division may grant an extension for good cause shown.

d. For purposes of determining compliance with the distance requirements provided in R.S. 27:422, the date of application shall be the date the certificate of compliance was received from the applicable local governing authority or the date the application for a building permit was filed, whichever last occurred.

6. All applications, except for a manufacturer's application, shall include an accurate sketch of the interior of the facility, and the proposed location of all video gaming devices to be located therein. In addition, the sketch shall include all grounds and parking areas.

7. All applications shall include the name of the owner(s) of the premises on which the establishment is located.

8. All renewal applications, shall be submitted in completed form, including a Louisiana State Sales Tax Clearance Certificate. Out-of-state manufacturers shall not be required to submit a Louisiana State Sales Tax Clearance Certificate.

9. All applicants shall provide all additional information requested by the division. If applicants fail to provide all additional information requested by the division, the application shall be considered incomplete.

10. All applications shall contain a certification signed by a duly authorized representative of the applicant wherein the applicant certifies that:

a. the information contained therein is true and correct;

b. the applicant has read the Act and these rules, and any other informational materials supplied by the division that pertain to video gaming; and

c. the applicant agrees to comply with these rules and the Act.

11. All applications shall contain an email address, a telephone number and permanent mailing address for receipt of correspondence and service of documents by the division.

12. Incomplete applications, including failure to pay fees may result in a delay or denial of a license.

13. The applicant shall notify the division in an electronic document or in writing of all changes of address, phone numbers, personnel, and other required information in the application within 10 business days of the effective date of the change.

14. An application shall be denied if an applicant has been convicted in any jurisdiction for any of the following offenses within the 10 years prior to the date of the application, and at least 10 years has not elapsed between the date of application and the successful completion of any service of a sentence, deferred adjudication, or period of probation or parole for any of the following:

a. any offense punishable by imprisonment for more than one year;

b. theft or any crime involving false statements or declaration; or

c. gambling as defined by the laws or ordinances of any municipality, parish (county), or state, the United States, or any similar offense in any other jurisdiction.

15. Any false statement, including improperly notarized documents, contained in any report, disclosure, application, permit form, or any other document required by this Section shall be a violation of these rules and the Act.

B. Requirements for Licensing

1.a. No person shall be granted a license, and no license shall be renewed unless the applicant demonstrates to the division that he is suitable for licensing, and thereafter continues to maintain suitability, as provided in the Act.

b. All applicants for a license and licensees shall be current in filing all applicable tax returns and in the payment of all taxes, interest and penalties owed to all appropriate local taxing authorities and the state of Louisiana, excluding contested amounts pursuant to applicable statutes, and excluding items for which the Department of Revenue and Taxation or the appropriate local taxing authority has accepted a payment schedule of back taxes.

2. Once a gaming license has been issued by the division, the license shall be conspicuously displayed by the licensee in his place of business so that it can be easily seen and read by the public.

3.a. Beginning with licenses renewed or issued after August 15, 1999, licenses to operate video draw poker devices shall expire as follows.

i. Licenses with a last digit of 1 or 2 in the license number shall expire on June 30, 2005.

ii. Licenses with a last digit of 3 or 4 in the license number shall expire on June 30, 2001.

iii. Licenses with a last digit of 5 or 6 in the license number shall expire on June 30, 2002.

iv. Licenses with a last digit of 7 or 8 in the license number shall expire on June 30, 2003.

v. Licenses with a last digit of 9 or 0 in the license number shall expire on June 30, 2004.

b. Beginning on July 1, 2004, all licenses shall have a term of five years from the date of issuance.

c. If a licensee fails to file a complete renewal application on or before forty five days prior to the license expiration date, the division may assess a civil penalty of $250 for the first violation, $500 for the second violation and $1000 for the third violation.

4.a. The appropriate annual fee shall be paid by all licensees regardless of the expiration date of the license on or before July 1 of each year.

b. Sales tax clearance certificates from the state and all appropriate local taxing authorities shall be submitted to the division along with the annual fee as provided in Subparagraph B.4.a of this Section no later than July 1 of each year.

5. All nonrefundable fees required for initial and renewal applications and any administrative fines or penalties shall be made payable to the Department of Public Safety and Corrections and remitted to the division in accordance with these rules.

6. Upon discovery, hidden ownership, whether by counter letter or other device or agreement, whether oral or written, shall constitute grounds for immediate suspension, revocation or denial of a license or application.

7. If there is more than one owner of a company, applicants and licensees shall disclose all ownership interests in the company so that the aggregate of percentages of individual ownership totals 100 percent.

8. All licensees shall attend all hearings, meetings, seminars and training sessions required by the division. The division shall not be responsible for any costs incurred by the licensees.

9. All licensees shall maintain compliance with all applicable federal gambling law requirements, including any registration required by the provisions of chapter 24 of title 15 of the *United States Code* (§1171 et seq.), which govern the transportation of gambling devices.

10.a. All licensees shall continue to operate the business described in the application during the term of the license. In the event either the business or the video draw poker devices at the location are not in operation for a period of 30 consecutive calendar days during which the business would normally operate, the licensee and device owner shall immediately notify the division of such fact and the licensee shall immediately surrender its license to the board or division.

b. If surrendered in accordance with Subparagraph B.10.a of this Section, no gaming activities may be conducted at the premises unless and until the license is returned to the licensee.

c. The license may be returned to the licensee when business operations are resumed for the unexpired term of the license provided that the license has not been revoked and is not under suspension and further provided that no more than 180 days has elapsed from the date the license was surrendered.

d. Licenses surrendered in accordance with Subparagraph B.10.a of this Section shall not be subject to renewal unless the license has been returned to the licensee.

e. Failure to surrender the license as provided in Subparagraph B.10.a of this Section shall constitute grounds for revocation or suspension of the license.

11.a. Within 15 days following a force-majeure event which has not affected video poker operation but necessitates closing any part of the licensed entity in order to make repairs, a licensee shall notify the division which may, following an on-site inspection to evaluate damage to the premises, grant the licensee a 60-day waiver from the provisions of Subparagraph B.10.a of this Section.

b. The division may grant one 60-day extension if it determines that the licensee has made substantial progress towards completing the necessary repairs within the original

60 day waiver period and the applicant can demonstrate a reasonable likelihood of completing the necessary repairs within the next 60 days.

c. Under no circumstances shall a licensee continue video poker operations without completing the necessary repairs and resuming normal operations for a period longer than 120 days.

C. Parish or Municipal Licenses

1. Prior to obtaining a video gaming license, all applicable parish and/or municipal occupational and alcohol beverage control licenses required for a facility to operate within said parish or municipality shall be current and valid.

2. All fees required to secure the aforementioned licenses shall be paid prior to the division issuing a license for video gaming.

D. Change of Ownership of Licensed Establishment

1. If a change in ownership of a licensed establishment occurs, the division shall be notified, in an electronic document or in writing within five days, of the act of sale or transfer.

2. When a licensed establishment which requires an alcoholic beverage license as a condition of the receipt of a video gaming license is sold or transferred, the devices shall be allowed to continue to operate under the old license if:

a. the new owner applies for a state Class "A" general retail or restaurant alcohol permit within 15 days of the Act of sale or transfer; and

b. upon issuance of a state Class "A" general retail or restaurant alcohol permit, the new owner applies for a video gaming license within 15 days of said issuance.

3. The devices shall only be allowed to continue in operation under the old license until:

a. the issuance of a video draw poker license in the name of the new owner;

b. a determination by the division that the new applicant is unsuitable;

c. denial of the new license application; or

d. the passage of 180 days from submission of the application to the division.

4. The new owner shall provide, at the time of application to the division, a certified copy of the act of sale or transfer, a copy of all appropriate documentation which indicates the date the licensed establishment began the Alcohol and Tobacco Control Commission application process, and a copy of the permit issued by the Alcohol and Tobacco Control Commission.

5. If any of the documents required by this Section are not submitted with the new owner's application, the division may immediately disable the devices.

6. If the 180-day period has elapsed prior to the issuance of a new video gaming license, the devices shall be disabled and the device owner shall immediately make arrangements to remove and transfer the devices from the formerly licensed establishment.

7. Upon the issuance of a license to a new owner or the passage of 180 days, whichever occurs first, the license issued to the prior owner shall expire and be surrendered to the division.

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Gaming Enforcement Section, Video Gaming Division, LR 18:196 (February 1992), amended LR 21:582 (June 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 23:1322 (October 1997), LR 24:955 (May 1998), LR 26:346 (February 2000), LR 26:2322 (October 2000), LR 27:61 (January 2001), LR 29:362 (March 2003), LR 30:267 (February 2004), repromulgated LR 30:439 (March 2004), amended LR 34:1037 (June 2008), LR 35:82 (January 2009), repromulgated LR 35:490 (March 2009), amended LR 36:2045 (September 2010), LR 38:2935 (November 2012), LR 40:1105, 1109 (June 2014), repromulgated LR 40:1382 (July 2014), amended LR 40:1384 (July 2014), LR 41:1498 (August 2015).

§2407. Operation of Video Draw Poker Devices

A. Responsibilities of Licensees

1. The licensee or a designated representative of the licensed establishment shall be required to be physically present and available within the licensed establishment at all times during all hours of operation; shall ensure that the devices are not tampered with, abused, or altered in any way; and shall prevent the play of video draw poker devices by persons under the age of 21 and prevent access to the gaming area by persons under the age of 18. The penalty for violation of this Subsection shall be $250 for the first offense, $500 for the second offense, and $1,000 for the third offense. The penalty for fourth and subsequent offenses shall be administrative action, including, but not limited to, suspension or revocation.

2. Licensees and employees of a licensee shall not loan money, extend credit, or provide any financial assistance to Patrons for use in video gaming activities.

3. Licensees and employees of a licensee shall not permit any person who appears to be intoxicated to participate in the play of the video devices.

4. All licensees shall supervise all employees to ensure compliance with the laws and regulations relating to the operation of video gaming devices.

5. All licensees or an employee of a licensee shall, upon demand of the player, pay all monies owed as shown on a valid ticket voucher.

6. All licensees shall be responsible for the proper placement and installment of devices within a licensed establishment as prescribed by these rules.

7. Licensees shall advise the division of any device malfunction that has not been rectified by the device owner,

NOTICE OF INTENT

Department of Public Safety and Corrections
Louisiana Gaming Control Board

The Department of Public Safety and Corrections, Louisiana Gaming Control Board, in accordance with R.S. 27:15 and 24 and with the Administrative Procedure Act, R.S. 49:950 *et seq.*, hereby gives notice that it intends to amend LAC 42:XI.2405, Application and License.

Title 42
LOUISIANA GAMING
Part XI. Gaming Control Board

Chapter 24. Video Draw Poker
§2405. Application and License

A.1 – B.9. ...

10. Non-Force Majeure Surrender of License

All licensees shall continue to operate the business described in the application during the term of the license. In the event the business is not in operation for a period of 30 consecutive calendar days during which the business would normally operate, for any reason other than damage caused by a force majeure event, the licensee and device owner shall immediately notify the division of such fact and the licensee shall immediately surrender its license.

a. If surrendered in accordance with Subparagraph B.10. of this Section, no video draw poker gaming devices may be operated at the premises unless and until the license is returned to the licensee.

b. The license may be returned to the licensee when business operations are resumed for the unexpired term of the license provided that the license has not been revoked and is not under suspension and further provided that no more than 180 days has elapsed from the date the license was surrendered.

c. Licenses surrendered in accordance with Subparagraph B.10. of this Section shall not be subject to renewal unless the license has been returned to the licensee.

d. Failure to surrender the license as provided in Subparagraph B.10. of this Section shall constitute grounds for revocation, suspension or non-renewal of the license.

11. Force Majeure

Within 15 days following a force majeure event which has damaged the licensed establishment and/or affected the operation of the business or its criteria or amenities, the licensee shall notify the division in writing of the event and resulting damage to the licensed establishment. The determination of whether the damage to the licensed establishment was the result of a force majeure event shall be solely within the discretion of the division.

a. All Licensed Establishments – Inability to Operate Business – Temporary Surrender

i. Within 30 days following a force majeure event which has affected the ability to operate the business described in the application, the licensee shall temporarily surrender its license.

ii. The license shall be eligible for renewal during the period of temporary surrender if a complete renewal application with required fees is submitted timely.

iii. No video draw poker gaming devices may be operated at the licensed establishment during the period of temporary surrender.

iv. When business operations resume, the licensee shall immediately notify the division in writing and request a compliance inspection.

v. Within 10 days following the compliance inspection, the license will be returned to the licensee if, following an on-site inspection of the licensed establishment, the division determines that the licensee is in compliance with all applicable physical amenities and permit requirements.

vi. A license may be revoked or suspended or a renewal application denied for reasons other than the inability to operate the business described in the application during the period of temporary surrender, including, without limitation, the failure to provide the notifications or surrender the license as required by Subparagraph B.11. of this Section.

b. Truck Stop Facilities Only – Fuel Facility Operational – Waiver of Surrender Requirement

i. A licensed truck stop facility may be granted a 60-day waiver from the surrender provisions of Subparagraph B.11.a. of this Section following a force majeure event which has not affected the operation of the fuel facility, but has resulted in the inability of the licensee to maintain and operate the on-site restaurant, the stable parking area, the onsite repair service, or any of its required amenities, provided that the licensee notifies the Division in writing of the damage to the licensed establishment in accordance with the notification requirement in Subparagraph B.11 of this Section and the Division determines, following an on-site inspection of the licensed establishment, that the damage was in fact the result of a force majeure event.

ii. The division may grant one 60-day extension if it determines that the licensee has made substantial progress towards completing the necessary repairs within the original 60-day waiver period and the licensee can demonstrate a reasonable likelihood of completing the necessary repairs within the next 60 days.

iii. No waiver shall be granted if the force majeure event has affected the ability of the licensee to operate the fuel facility.

iv. Under no circumstances shall a licensee continue video poker operations after the expiration of the 60-day waiver or any extension thereof granted by the division without completing the necessary repairs and resuming normal operations. If the licensee has not completed necessary repairs and resumed normal operations, it shall immediately surrender the license upon the expiration of the 60-day waiver or any extension granted by the division.

v. When business operations resume, the licensee shall immediately notify the division in writing and request a compliance inspection.

vi. The license shall be eligible for renewal during the period of waiver if a complete renewal application with required fees is submitted timely.

vii. During the period of waiver, a license may be revoked or suspended or a renewal application denied, for reasons other than failure to operate that portion(s) of the business operations, criteria, and/or amenities for which the waiver was granted, including, without limitation, the failure to provide the notifications required in Subparagraph B.11. of this Section.

C. – D.7. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 27:15 and 24.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, Gaming Enforcement Section, Video Gaming Division, LR 18:196 (February 1992), amended LR 21:582 (June 1995), amended by the Department of Public Safety and Corrections, Gaming Control Board, LR 23:1322 (October 1997), LR 24:955 (May 1998), LR 26:346 (February 2000), LR 26:2322 (October 2000), LR 27:61 (January 2001), LR 29:362 (March 2003), LR 30:267 (February 2004), repromulgated LR 30:439 (March 2004), amended LR 34:1037 (June 2008), LR 35:82 (January 2009), repromulgated LR 35:490 (March 2009), amended LR 36:2045

(September 2010), LR 38:2935 (November 2012), LR 40:1105, 1109 (June 2014), repromulgated LR 40:1382 (July 2014), amended LR 40:1384 (July 2014), LR 41:1498 (August 2015), LR

Public Comments

Interested persons may submit written comments to Matthew H. Long, Assistant Attorney General, Louisiana Department of Justice, Gaming Division, 1885 North Third Street, Fifth Floor, Baton Rouge, LA 70802. All comments must be submitted by 4:30 p.m. on February 10, 2015.

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Ronnie Jones
Chairman