



State of Louisiana
Gaming Control Board

JOHN BEL EDWARDS
GOVERNOR

RONNIE JONES
CHAIRMAN

VIA EMAIL: apa.h-acrj@legis.la.gov
The Honorable Sherman Q. Mack
Chairman
House Committee on Administration of Criminal Justice
P.O. Box 44486
Baton Rouge, LA 70804

RE: Notice of Intent – LAC 42:III.2401

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 Notice of Intent with Preamble and Impact Statements.
2. Copies of the signed Notice of Intent.
3. Copies of the signed Fiscal and Economic Impact Statement.
4. Copies of the current rule.
5. Copies of the signed final proposed rule.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ronnie Jones", written over a horizontal line.

Ronnie Jones, Chairman
Louisiana Gaming Control Board

2-8-2015

Date

RJ/EGP/ssd

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, R.S. 27:24, and the provisions of the Administrative Procedures Act, R.S. 49:950 et seq., hereby gives notice that it intends to amend LAC 42.III.2401 – Relocation of Gaming Operations to a Facility, Procedure. This rule change clarifies practices already required to take place in the industry and creates uniformity with the amended statutes and the newly enacted statutes as a result of Act 469 of the 2018 Regular Legislative Session. The rule change allows for the consideration of past economic development in the relocation of gaming operations to a facility.

Title 42

LOUISIANA GAMING

Part III. Gaming Control Board

Chapter 24. Relocation of Gaming Operations

§2401. Relocation of Gaming Operations to a Facility, Procedure

A. – B.1.h. ...

2. If substantial completion of a riverboat vessel and approved project was completed after January 1, 2005 (with a minimum monetary investment of \$200 million), the board will consider this past economic investment and may allow not more than 6% of the gaming positions as provided in R.S. 27:44 to be located in an existing structure which is part of the approved project. The licensee shall request the change to the designated gaming area by filing a petition detailing the date of substantial completion and the monetary investment and shall include the following:

- a. a site plan designating the licensee's current approved berth site and the location of the existing structure;
- b. a legal property description of the land owned or leased by the licensee on which the structure is located;
- c. a detailed plan for staffing, installation of gaming devices and equipment, security and surveillance, and a date for the commencement of gaming activities at the site; and
- d. any other information, documentation, plan, or description requested by the board or division.

C. ...

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

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 44:2217 (December 2018), amended LR.

Family Impact Statement

Pursuant to the provisions of R.S. 49:972, the Gaming Control Board, through its chairman, has considered the potential family impact of the proposed Rule.

It is accordingly concluded that the proposed Rule 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.

Poverty Impact Statement

Pursuant to the provisions of R.S. 49:973, the Gaming Control Board, through its chairman, has considered the potential poverty impact of the proposed Rule.

It is accordingly concluded that the proposed Rule 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.

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 the proposed Rule is not expected to have a significant impact on small business.

Provider Impact Statement

Pursuant to the provisions of HCR170 of 2014, the Gaming Control Board, through its chairman, has considered the potential provider impact of the proposed Rule.

It is accordingly concluded that the proposed Rule 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.

Public Comments

Interested persons may submit written comments to Earl G. Pitre, Jr., Assistant Attorney General, Louisiana Department of Justice, Gaming Division, 1885 North Third Street, Fifth Floor, Baton Rouge, LA 70802. All comments must be submitted no later than March 11, 2019.

Ronnie Jones
Chairman

Fiscal and Economic Impact Statement

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

The proposed rule change may result in a minimal workload increase for the Gaming Control Board related to processing new applications and inspecting additional gaming space. The Board anticipates it can absorb any potential workload increases using existing budget authority and resources. The proposed rule change codifies Act 469 of 2018 related to application for the relocation of gaming operations to a facility within 1,200 feet of the riverboat's licensed berth. The board will consider past economic investment and may allow no more than 6% of the gaming positions as provided in R.S. 27:44 to be located in an existing structure, which is part of the approved project. At the time of this publication, there are only four boats that would be qualified to implement these provisions.

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

The proposed rule change will have an indeterminate impact on revenue collections of state and local governmental units. The potential relocation of 6% of gaming as provided in R.S. 27:44 may impact consumer behavior in an indeterminate manner that may increase or decrease state and local revenues or may shift activities between facilities. To the extent the proposed rule change expands gaming activity, revenue may increase at the statewide or local level;

however, the proposed rule change may shift gaming activity between localities and certain local revenues may grow or shrink as a result of the shift.

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

The proposed rule change will result in an indeterminate impact on costs and economic benefits to licensed riverboats. Eligible riverboats will be authorized to relocate no more than 6% of the gaming positions in an existing and approved structure and location that may result in indeterminable costs or economic benefits.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change will result in an indeterminate impact on competition and employment. Licensees that meet the criteria established in the proposed rule change may have a significant advantage over those licensees who have not. To the extent the proposed rule change shifts gaming activity, competition and employment may expand or contract between localities.

Ronnie Jones
Chairman

Evan Brasseaux
Staff Director
Legislative Fiscal Office

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, R.S. 27:24, and the provisions of the Administrative Procedures Act, R.S. 49:950 et seq., hereby gives notice that it intends to amend LAC 42.III.2401 – Relocation of Gaming Operations to a Facility, Procedure. This rule change clarifies practices already required to take place in the industry and creates uniformity with the amended statutes and the newly enacted statutes as a result of Act 469 of the 2018 Regular Legislative Session. The rule change allows for the consideration of past economic development in the relocation of gaming operations to a facility.

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2. If substantial completion of a riverboat vessel and approved project was completed after January 1, 2005 (with a minimum monetary investment of \$200 million), the board will consider this past economic investment and may allow not more than 6% of the gaming positions as provided in R.S. 27:44 to be located in an existing structure which is part of the approved project. The licensee shall request the change to the designated gaming area by filing a petition detailing the date of substantial completion and the monetary investment and shall include the following:

- a. a site plan designating the licensee's current approved berth site and the location of the existing structure;
- b. a legal property description of the land owned or leased by the licensee on which the structure is located;
- c. a detailed plan for staffing, installation of gaming devices and equipment, security and surveillance, and a date for the commencement of gaming activities at the site; and
- d. any other information, documentation, plan, or description requested by the board or division.

C. ...

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

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 44:2217 (December 2018), amended LR.

Public Comments

Interested persons may submit written comments to Earl G. Pitre, Jr., Assistant Attorney General, Louisiana Department of Justice, Gaming Division, 1885 North Third Street, Fifth Floor, Baton Rouge, LA 70802. All comments must be submitted no later than March 11, 2019.



Ronnie Jones
Chairman

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

Person

Preparing

Statement: Earl G. Pitre, Jr.

Dept.: Public Safety and Corrections

Phone: (225) 326-6500

Office: Gaming Control Board

Return

Address: P.O. Box 94005

Rule

Title: LAC 42:III.2401

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 may result in a minimal workload increase for the Gaming Control Board related to processing new applications and inspecting additional gaming space. The Board anticipates it can absorb any potential workload increases using existing budget authority and resources. The proposed rule change codifies Act 469 of 2018 related to application for the relocation of gaming operations to a facility within 1,200 feet of the riverboat's licensed berth. The board will consider past economic investment and may allow no more than 6% of the gaming positions as provided in R.S. 27:44 to be located in an existing structure, which is part of the approved project. At the time of this publication, there are only four boats that would be qualified to implement these provisions.

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

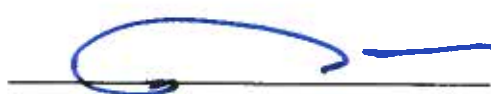
The proposed rule change will have an indeterminate impact on revenue collections of state and local governmental units. The potential relocation of 6% of gaming as provided in R.S. 27:44 may impact consumer behavior in an indeterminate manner that may increase or decrease state and local revenues or may shift activities between facilities. To the extent the proposed rule change expands gaming activity, revenue may increase at the statewide or local level; however, the proposed rule change may shift gaming activity between localities and certain local revenues may grow or shrink as a result of the shift.

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

The proposed rule change will result in an indeterminate impact on costs and economic benefits to licensed riverboats. Eligible riverboats will be authorized to relocate no more than 6% of the gaming positions in an existing and approved structure and location that may result in indeterminable costs or economic benefits


IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change will result in an indeterminate impact on competition and employment. Licensees that meet the criteria established in the proposed rule change may have a significant advantage over those licensees who have not. To the extent the proposed rule change shifts gaming activity, competition and employment may expand or contract between localities.


Signature of Agency Head or Designee

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

Date of Signature


Legislative Fiscal Officer or Designer

2/6/19
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 change will result in a workload increase for the Gaming Control Board related to new applications from the licensees; however, this additional workload will be absorbed using existing budget authority and resources.

The proposed rule change codifies Act 469 of the 2018 Regular Legislative Session related to application for the relocation of gaming operations to a facility within 1,200 feet of the riverboat’s licensed berth. The board will consider past economic investment and may allow no more than 6% of the gaming positions as provided in R.S. 27:44 to be located in an existing structure that is part of the approved project. The application must include the riverboat licensee’s relocation plan, a detailed capital improvement and reinvestment plan, and any other information required by the Gaming Control Board. Past economic investment includes substantial completion of a riverboat vessel and an approved project that was completed after January 1, 2005, with a minimum monetary investment of \$200 million. Furthermore, the proposed rule change establishes the criteria for the plans and specifications of the current approved berth site and location of the existing structure; the legal description of the property; plans for staffing, installation of gaming devices and equipment; security and surveillance; the date for commencement of gaming activities at the site; and any other information, documentation, plan or description requested by the board or division.

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

The proposed rule change is a result of the amended statutes and newly enacted statutes in La. R.S. 27:44 and 27:67, respectively. The proposed rule changes are also the result of continuous review of the current rules by the Board and Industry 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 19	FY 20	FY 21
Personal Services	See Below	See Below	See Below
Operating Expenses			
Professional Services			
Other Charges			
Equipment			
Major Repairs & Constr.			
TOTAL	See Below	See Below	See Below
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.

A slight increase in workload and paperwork for the Gaming Control Board in the form of new applications from the licensees may be anticipated as a result of the implementation of the rules changes. The Board anticipates it can absorb any additional workload with existing resources.

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

SOURCE	FY 19	FY 20	FY 21
State General Fund			
Agency Self-Generated			
Dedicated	See Below	See Below	See Below
Federal Funds			
Other (Specify)			
TOTAL	See Below	See Below	See Below

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. The Board anticipates it can absorb any additional workload with existing resources.

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 impact on cost or savings to local governmental units is unknown.

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

The impact on the source of funding for local government is unknown.

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 19	FY 20	FY 21
State General Fund	Unknown	Unknown	Unknown
Agency Self-Generated			
Dedicated Funds*			
Federal Funds			
Local Funds	Unknown	Unknown	Unknown
TOTAL	Unknown	Unknown	
Unknown			

*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 have an unknown impact on revenue collections of state and local governmental units. Authorizing the relocation of not more than 6% of the gaming positions as provided in R.S. 27:44 may impact consumer behavior in an unknown manner. Whether this will increase state and local revenues or shift activities between facilities is unknown. To the degree that the proposed rule change may result in an expansion of gaming activity, revenue may increase at the statewide or local level. To the degree that the proposed rule change shifts gaming activity, local revenues may grow or shrink between localities.

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 result in an unknown impact on costs and economic benefits to licensed riverboats. Authorizing the relocation of not more than 6% of the gaming positions as provided in R.S. 27:44 may impact consumer behavior in an unknown manner. Whether this will result in costs or economic benefits to licensees is unknown. To the degree that the proposed rule change may result in an expansion of gaming activity, economic benefits may increase at the statewide or local level. To the degree that the proposed rule change shifts gaming activity, individual locations may realize indeterminable costs or economic benefits.

- 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.

The proposed rule change will result in an unknown impact on receipts and/or income to licensed riverboats. Authorizing relocation of not more than 6% of the gaming positions as provided in R.S. 27:44 may impact consumer behavior in an unknown manner. The impact on receipts and/or income is unknown. To the degree that the proposed rule change may result in an expansion of gaming activity, receipts and/or income may increase at the statewide or local level. To the degree the that proposed rule change shifts gaming activity, receipts and/or income may increase or decrease between localities.

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 result in an unknown impact on competition and employment. However, those licensees who meet the criteria for past economic investment of a minimum of \$200 million will have a major advantage over those licensees who have not made such investments at that level. To the degree that the proposed rule change may result in an expansion of gaming activity, competition and employment may benefit at the statewide or local level. To the degree that the proposed rule change shifts gaming activity, competition and employment may expand or contract between localities.

CURRENT RULE

LAC 42:III.2401

Section Reference	Description	Base Penalty	Proscriptive Period (Months)
Part VII. Licenses, Fees, and Registration			
27:250A	License or Permit Required	\$10,000	60
27:250G	Unpermitted Employee	\$10,000	18
Part IX. Prohibitions, Exclusions, and Gaming Offenses			
27:260A	No One Under 21 Allowed	\$10,000	12
Chapter 7. Pari-Mutuel Live Racing Facility Economic Redevelopment and Gaming Control Act			
Part II. O Conduct of Slot Machine Gaming Activity			
27:376	No One under 21 Allowed	\$10,000	12

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

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 38:1620 (July 2012), amended LR 40:1381 (July 2014).

§2327. Proof of Compliance

A. If a licensee, casino operator or permittee is notified by the division of a possible violation of the Act or the rules, the licensee, casino operator or permittee may submit proof of compliance with the Act and rules within 10 days of receipt of the notification.

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

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 38:1623 (July 2012).

§2329. Notification of Supplier Recommendations or Solicitations

A. The casino operator and all licensees shall file a written report with the division on the twentieth day of the following month providing the name, address, and telephone number of any person who recommends to, or solicits through any agent, employee, or representative who has authority to contract for the licensee or casino operator, for the purchase of goods or services from a particular supplier during the month. The licensee and casino operator shall also report the name, address, and telephone number of the recommended supplier to the division at the same time. This provision shall only apply to the solicitation or purchase of goods or services with a value in excess of \$10,000. This provision shall not apply to any recommendations made to the licensee or casino operator for the hiring of employees working in the day-to-day operations of the casino.

B. The licensee or casino operator shall also report any recommendation or solicitation received under circumstances in which a reasonable person would perceive there to be pressure, intimidation of any kind or other conduct not customary in an ordinary business transaction.

C. Supplier, for the purposes of this Section, shall include, but is not limited to, any manufacturer, distributor, gaming supplier, non-gaming supplier, junket representative, professional, independent contractor, consultant, or other person in the business of providing goods and services regardless of whether required to be licensed, permitted, or registered.

D. If no recommendations or solicitations have occurred during a month, a report shall not be submitted for that period.

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

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 38:1623 (July 2012).

Chapter 24. Relocation of Gaming Operations

§2401. Relocation of Gaming Operations to a Facility, Procedure

A. Prior Approval

1. Prior written approval of the board is required to relocate gaming operations to a facility in accordance with R.S. 27:44(24)(e) and R.S. 27:67.

2. Failure to obtain approval from the board prior to relocating gaming operations to a facility may be grounds for administrative action against a licensee.

B. Application

1. A licensee desiring to relocate its gaming operations to a facility in accordance with R.S. 27:44(24)(e) and 27:67 shall file an application with the board, which application shall include the following:

a. a petition requesting approval to relocate all or a portion of its gaming operations to a facility as provided for in R.S. 27:44(24)(e) and 27:67;

b. a site plan designating the licensee's current approved berth site and the location of the proposed facility;

c. a legal property description of the land owned or leased by the licensee on which the facility is to be located;

d. a detailed capital improvement and reinvestment plan;

e. a plan for financing the proposed relocation, including any financing commitments;

f. a schedule for the commencement and completion of construction;

g. a comprehensive relocation plan, which shall include plans for staffing the facility, the moving and installation of gaming devices and equipment into the facility, security and surveillance for the facility, and a date for the commencement of gaming activities at the facility; and

h. any other information, documentation, plan, or description deemed relevant and requested by the board or division.

C. No licensee shall be allowed to commence gaming activities at a facility until the division has determined that all necessary staffing, training, security and surveillance, technical, accounting, and internal control procedures are acceptable.

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

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 44:2217 (December 2018).

Chapter 25. Transfers of Interest in the Casino Operator, Licensees, and Permittees; Loans and Restrictions

Editor's Note: The information for this Chapter was consolidated from corresponding Chapters in Parts VII, IX, and XIII prior to their being repealed.

§2501. Transfers of Interest, General

A. The transfer of a license, permit or an application for a license or permit is prohibited.

B. No person shall transfer any interest of any sort whatsoever in a licensee, permittee, casino operator or casino manager, or foreclose on a security interest in a licensee, permittee, casino operator or casino manager, or enter into or create a voting trust agreement or any agreement of any sort in connection with any licensee, permittee, casino operator or casino manager except in accordance with the Act and rules.

C. The following definitions shall apply to transfers of interest.

Acquire Control or Change of Control—any act or conduct by a person whereby he obtains control, whether accomplished through the ownership of equity or voting securities, ownership of rights to acquire equity or voting securities, by management or consulting agreements or other contract, by proxy or power of attorney, by merger, consummation of tender offer, acquisition of assets, or otherwise. Any acquisition by a person or group of persons acting in concert of more than 20 percent ownership or economic interest shall be considered a change of control.

Control—the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person.

Economic Interest—same meaning as in §1701.

Ownership Interest—owning shares or securities issued by a corporation, being a partner in any kind of partnership, being a member of a limited liability company, or owning or possessing any interest in any other kind of legal entity.

Transfer—to alienate, assign, acquire, bequeath, bestow, cede, convey, dispose of, divest, donate, lease, purchase or sell.

D. No person shall transfer any interest in a licensee, permittee, casino operator or casino manager to any person acting as an agent, trustee or in any other representative capacity for or on behalf of another person without having first fully disclosed all facts pertaining to such transfer and representation to the board and division. No person acting in such representative capacity shall hold or acquire any such interest or so invest or participate without having first fully disclosed all facts pertaining to such representation to the

board and division and having obtained approval of the board or division.

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

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 38:1623 (July 2012).

§2502. Transfer of Interest; Prior Approval

A. Except as otherwise provided in this Chapter, the transfer of the following interests shall receive prior written approval of the board or division:

1. other than the transfer of securities in a publicly traded corporation, an ownership or economic interest of 5 percent or more in a licensee, permittee, casino operator or casino manager;

2. other than the transfer of securities in a publicly traded corporation, an ownership or economic interest of 5 percent or more in any person required to meet the qualification and suitability requirements of the Act;

3. a transaction that results in a change of control of a licensee, permittee, casino operator or casino manager; or

4. a transaction in which a person acquires control of a licensee, permittee, casino operator or casino manager.

B. The acquisition of an ownership or economic interest in a licensee, permittee, casino operator or casino manager not listed in Subsection A of this Section is conditional and ineffective if subsequently disapproved by the board or division. The person involved in an acquisition other than one listed in Subsection A of this Section may request prior approval of the transaction from the board or division.

C. The requirements of Subsection A of this Section shall apply should an accumulation of transfers occur wherein 5 percent or more ownership or economic interest or such other interest that otherwise leads to a change of control in a licensee, permittee, casino operator or casino manager is transferred.

D. Any person seeking prior approval required by this Section shall comply with the provisions of this Chapter unless the board or division waives any or all of the requirements upon receipt of a written request for such waiver.

E. No transfer of interest for which prior approval is required pursuant to this Chapter may be completed unless the transfer and proposed transferee have been approved, in writing, by the board and any transfer that occurs without the prior approval of the board is void and without effect. Failure to obtain prior approval as required by this Section may be grounds for administrative action against a licensee, permittee, casino operator or casino manager.

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

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 38:1624 (July 2012).

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, R.S. 27:24, and the provisions of the Administrative Procedures Act, R.S. 49:950 et seq., hereby gives notice that it intends to amend LAC 42.III.2401 – Relocation of Gaming Operations to a Facility, Procedure. This rule change clarifies practices already required to take place in the industry and creates uniformity with the amended statutes and the newly enacted statutes as a result of Act 469 of the 2018 Regular Legislative Session. The rule change allows for the consideration of past economic development in the relocation of gaming operations to a facility.

Title 42

LOUISIANA GAMING

Part III. Gaming Control Board

Chapter 24. Relocation of Gaming Operations

§2401. Relocation of Gaming Operations to a Facility, Procedure

A. – B.1.h. ...

2. If substantial completion of a riverboat vessel and approved project was completed after January 1, 2005 (with a minimum monetary investment of \$200 million), the board will consider this past economic investment and may allow not more than 6% of the gaming positions as provided in R.S. 27:44 to be located in an existing structure which is part of the approved project. The licensee shall request the change to the designated gaming area by filing a petition detailing the date of substantial completion and the monetary investment and shall include the following:

- a. a site plan designating the licensee's current approved berth site and the location of the existing structure;
- b. a legal property description of the land owned or leased by the licensee on which the structure is located;
- c. a detailed plan for staffing, installation of gaming devices and equipment, security and surveillance, and a date for the commencement of gaming activities at the site; and
- d. any other information, documentation, plan, or description requested by the board or division.

C. ...

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

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Gaming Control Board, LR 44:2217 (December 2018), amended LR.

Public Comments

Interested persons may submit written comments to Earl G. Pitre, Jr., Assistant Attorney General, Louisiana Department of Justice, Gaming Division, 1885 North Third Street, Fifth Floor, Baton Rouge, LA 70802. All comments must be submitted no later than March 11, 2019.



Ronnie Jones
Chairman