

Regular Session, 2008

SENATE BILL NO. 41

BY SENATOR MCPHERSON

GAMING. Prohibits the extension of a line of credit and the placement of automated teller machines at gaming establishments. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 27:101(B), 266(B), 306(A)(5)(b), and 322(B) and to enact R.S.  
3 6:423.1 and R.S. 27:101(C), 266(C), 322(C), and 375(F), relative to banks and  
4 banking and extension of credit at gaming establishments; to prohibit an extension  
5 of a line of credit for gaming activities; to prohibit the placement of automated teller  
6 machines in gaming establishments; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 27:101(B), 266(B), 306(A)(5)(b) and 322(B) are hereby amended  
9 and reenacted and R.S. 27:101(C), 266(C), 322(C), and 375(F) are hereby enacted to read  
10 as follows:

11 §101. Check cashing; **credit**; purchase of tokens, chips, and electronic cards;  
12 prohibitions

13 \* \* \*

14 **B. No person holding a gaming license and no servant, agent, or**  
15 **employee of the licensee shall extend a line of credit or advance of anything of**  
16 **value to any patron of a gaming facility for purposes of taking part in gaming**  
17 **activities.**



1 which govern the operation of video draw poker devices by such lessee or sublessee  
2 shall be considered a violation by the licensee. No financial lending institution or  
3 pawnshop shall be located on the premises of a qualified truck stop facility. ~~Nothing~~  
4 ~~herein shall prohibit the placement of automatic teller machines on the premises of~~  
5 ~~a qualified truck stop.~~

6 \* \* \*

7 §322. Check cashing; prohibitions

8 \* \* \*

9 **B. No person who has been granted a license to place video draw poker**  
10 **devices in his truck stop facility and no servant, agent, or employee of the**  
11 **licensee shall extend a line of credit or advance of anything of value to any**  
12 **patron of a gaming facility for purposes of taking part in gaming activities.**

13 ~~B. C.~~ Whoever violates or permits the violation of the provisions of this  
14 Section may be imprisoned for not more than six months or fined not more than five  
15 hundred dollars, or both.

16 \* \* \*

17 §375. Crimes and penalties; false statements; unauthorized slot machines;  
18 skimming of slot machine proceeds; payroll check cashing; gambling  
19 devices

20 \* \* \*

21 **F. No person holding a license to operate slot machine gaming and no**  
22 **servant, agent, or employee of the licensee shall extend a line of credit or**  
23 **advance of anything of value to any patron of a gaming facility for purposes of**  
24 **taking part in gaming activities. Whoever violates or permits the violation of**  
25 **the provisions of this Subsection may be imprisoned for not more than six**  
26 **months or fined not more than five hundred dollars, or both.**

27 \* \* \*

28 Section 2. R.S. 6:423.1 is hereby enacted to read as follows:

29 **§423.1. Automated teller machines; locations in gaming establishments**

1                    **prohibited**

2                    **A. No bank, financial institution or other business entity or individual**  
3                    **operating an automated teller machine service shall locate an automated teller**  
4                    **machine on the premises of any riverboat licensed to conduct gaming activities**  
5                    **pursuant to Chapter 4 of Title 27 of the Louisiana Revised Statutes of 1950, on**  
6                    **the premises of the official gaming establishment licensed to conduct gaming**  
7                    **operations pursuant to Chapter 5 of Title 27 of the Louisiana Revised Statutes**  
8                    **of 1950, on the premises of any qualified truck stop facility licensed for the**  
9                    **operation of video draw poker devices pursuant to Chapter 6 of the Louisiana**  
10                   **Revised Statutes of 1950, or on the premises of an eligible facility licensed to**  
11                   **conduct slot machine gaming pursuant to Chapter 7 of the Louisiana Revised**  
12                   **Statutes of 1950.**

13                   **B. Any bank, financial institution or other business entity or individual**  
14                   **operating an automated teller machine service as provided in Subsection A of**  
15                   **this Section shall have sixty days from the effective date of this Act to**  
16                   **discontinue the operation of automated teller machines at the prohibited**  
17                   **locations.**

18                   **C. Any bank, financial institution or other business entity operating an**  
19                   **automated teller machine service who violates or permits the violation of the**  
20                   **provisions of this Section shall be fined one thousand dollars for each day of**  
21                   **operation.**

22                   **D. For purposes of this Section, "automated teller machine" means an**  
23                   **electronic information processing device located in this state which accepts or**  
24                   **dispenses cash in connection with an account or credit card.**

25                   Section 3. This Act shall become effective upon signature by the governor or, if not  
26                   signed by the governor, upon expiration of the time for bills to become law without signature  
27                   by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
28                   vetoed by the governor and subsequently approved by the legislature, this Act shall become  
29                   effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Camille Sebastien Perry.

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#### DIGEST

Present law prohibits a person who has been granted a license for conducting riverboat gaming, conducting gaming activities at the official gaming establishment, or who has been granted a license for the placement of video draw poker devices in his truck stop facility from cashing or accepting, in exchange for the purchase of tokens, chips, or electronic cards the following:

- (1) An identifiable employee payroll check.
- (2) Any document evidencing or stating title to or ownership of, whether unencumbered or encumbered by a privilege, mortgage, or security interest, any classification of motor vehicle, manufactured home, or immovable property, including any building or dwelling situated therein.
- (3) A check that represents a Family Independence Temporary Assistance Program (FITAP), Temporary Assistance for Needy Families (TANF), or supplemental security income payment.

Proposed law retains present law but further prohibits an extension of a line of credit or advance of anything of value to any patron for purposes of gaming.

Present law prohibits an owner of an eligible facility who has been granted a license to operate slot machine gaming or his employee from cashing or accepting an identifiable employee payroll check in the designated slot machine area and provides for a penalty of not more than six months or a fine of not more than 5,000, or both upon conviction.

Proposed law retains present law but further prohibits an extension of a line of credit or advance of anything of value to any patron for purposes of gaming at an eligible facility.

Present law provides that the placement of automatic teller machines on the premises of a qualified truck stop facility is not prohibited.

Proposed law deletes the authorization for placement of these machines on the premises of qualified truck stop facilities.

Proposed law prohibits a bank, financial institution, or other business entity or individual operating an automated teller machine from locating such machines on the premises of a licensed riverboat, on the premises of the land-based casino, on the premises of a licensed qualified truck stop facility, and on the premises of an eligible facility licensed to conduct slot machine gaming.

Proposed law provides for a 60-day period from the effective date of proposed law for banks, financial institutions, or other business entities or individuals to stop operation of automated teller machines and provides for a penalty of \$1,000 a day for operation thereafter.

Proposed law defines an "automated teller machine" as an electronic information processing device located in this state which accepts or dispenses cash in connection with an account or credit card.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 27:101(B), 266(B), 306(A)(5)(b), and 322(B); adds R.S.6:423.1 and R.S. 27:101(C), 266(C), 322(C), and 375(F))