

**Distribution of Fees
Current as of June 2016**

**VIDEO POKER
FRANCHISE FEES, LICENSE FEES, FINES & PENALTIES**

Video Poker Franchise Fees

Restaurants, bars, taverns, cocktail lounges, clubs, motels, and hotels	26% of NDR
Truck Stops	32.5% of NDR
Pari-mutuels (OTBs and Racetracks without slot machines)	22.5% of NDR

1. ½% of Franchise Fee Rate (.05% of NDR) to Video Draw Poker Device Purse Supplement Fund
– Appropriated by the legislature and disbursed by the Racing Commission
2. Remaining to the Video Draw Poker Device Fund
 - 1% of Video Draw Poker Device Fund, up to \$500,000 to the Compulsive and Problem Gaming Fund
 - 25% of Franchise Fees (less 1 and 2 above) & License Fees, Fines & Penalties to:
 - Not to exceed \$5.4 Million to District Attorneys and Assistant District Attorneys for increased compensation by law enacted in 1992 Regular Session
 - remainder to:
 - governing authorities of municipalities in which VP machines are operated, and
 - governing authorities & sheriffs of parishes in which VP machines are operated
(these amounts are prorated on the amount of fees, fines and penalties the municipalities and parishes contribute to the state’s total VP fees)

(governing authorities may redistribute these monies by written agreement)
 - 75% of Franchise (less 1 and 2 above) & License Fees, Fines & Penalties to General Fund
 - LSP & AG as appropriated by the legislature

NDR = NET DEVICE REVENUE (Dollars In less Payouts)

Franchise Fees = a percent of NDR based on the type of Video Poker license

20% of NDR from pari-mutuels goes to the horsemen to supplement purses at the racetrack. The franchise fee is calculated after this 20% is removed for NDR

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**SLOTS AT THE TRACKS
ANNUAL STATE FEE DISTRIBUTION**

STATE FEE = 18.5% of Net Slot Machine Proceeds after deduction of 18% for purse supplements and Breeders Associations' Executive Committees

Compulsive & Problem Gaming Fund - 1% of combined Net Slot Machine Proceeds, not to exceed \$500,000

All remaining to the Pari-mutuel Live Racing Facility Gaming Control Fund (Gaming Control Fund)

Monies in the Gaming Control Fund – withdrawn only pursuant to appropriation by the legislature for the expenses of the board, Department of Justice, the division, and the LA Racing Commission necessary to carry out the provisions of Title 27, Chapter 7 (Pari-Mutuel Live Racing Facility Economic Redevelopment and Gaming Control Act.

Money remaining in fund after previous:

Invested by Treasury with interest to the General Fund

Unexpended and unencumbered at the end of the fiscal year are deposited in the general fund.

LA State Police & Attorney General as appropriated

- 5% of state fees generated by the race track in their respective parishes:
 - Bossier Parish Truancy Program Fund
 - St. Landry Parish Excellence Fund
 - Calcasieu Parish Fund
 - 60% - Calcasieu Parish School Board
 - 30% - McNeese State University
 - 10% - Sowell Technical Institute
 - Orleans Parish Excellence Fund

To the extent funds remain:

- \$12 Million – Louisiana Agriculture Finance Authority
- \$2 Million – Rehabilitation for the Blind & Visually Impaired
- \$750,000 each:
 - Equine Health Studies Program Fund
 - Southern University AgCenter Program Fund
- \$200,000 Beautification & Improvement of N.O. City Park Fund
- \$50,000 each:
 - Southern University Urban Tourism & Marketing Program Fund
 - Orleans Parish District Attorney's office

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- After compliance with the above, the State Treasurer shall deposit the remaining portion of taxable net slot machine proceeds collected from the licensed eligible facility in Orleans Parish as follows:
 - 30% (up to \$2,000,000) to Beautification and Improvement to New Orleans City Park Fund
 - 20% (up to \$1,000,000) to Greater New Orleans Sports Foundation Fund
 - 20% (up to \$100,000) to Algiers Economic Development Foundation Fund
 - 20% (up to \$100,000) to New Orleans Urban Tourism and Hospitality Training in Economic Development Foundation Fund
 - 5% (up to \$100,000) to Beautification Project for New Orleans Neighborhoods Fund
 - 5% (up to \$100,000) to Friends of NORD Fund
 - After compliance with this subsection, remaining monies generated from the Orleans Parish facility shall be deposited to the New Orleans Sports Franchise Assistance Fund

Remaining monies from Bossier, Calcasieu, and St. Landry parish eligible facilities go to the General Fund.

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**RIVERBOAT GAMING
DISTRIBUTION OF STATE FEES**

STATE FEE = 21.5% of Adjusted Gross Receipts (AGR)

- 3% of AGR to SELF (Support Education in Louisiana First) Fund
- 3½% of AGR to (License Fee) Riverboat Gaming Enforcement Fund –withdrawn only pursuant to appropriation by the Legislature and only for the following:
 - (less 9% of this amount to the SELF Fund)
 - Expenses of the division and Department of Justice necessary to carry out the provisions of gaming law and gaming rules and regulations
 - Expenses of the Gaming Control Board not to exceed 1/7 of the License Fee
 - Expenses of the Office of State Police related to AFIS
 - After previous, remaining shall be utilized for the expenses of the Office of State Police
- 15% OF AGR to the General Fund (Franchise Fee)
 - (less 9% of this amount to the SELF Fund)
 - (less \$500,000 to the Compulsive and Problem Gaming Fund)

AGR = Adjusted Gross Receipts (Dollars In less Payouts)

License Fee = \$50,000 (*1st yr*) / \$100,000 (*2nd yr forward*) annual fee to LSP + 3½% of AGR (this % and the franchise fee below make up the 21.5% state fee.

Franchise Fee = 15 % of AGR + 3% SELF Fund

The SELF pay for teacher pay raises approved by the Legislature several years ago.

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**LAND BASED CASINO
DISTRIBUTION OF STATE FEES**

STATE FEE = the greater of \$60,000,000 per fiscal year (April 1 – March 31) or 21.5% of Gross Revenues

- \$500,000 to the Compulsive and Problem Gaming Fund
- All Fees Collected except Compulsive and Problem Gaming Funds and monies dedicated to the casino support services contract are deposited into the SELF (Support Education in Louisiana First) Fund

Each year the Joint Legislative Committee on the Budget approves the amount of the casino support services contract:

1. The first \$1,800,000 of fees shall be deposited in the Casino Support Services Fund
2. The next \$60,000,000 of fees are credited to the SELF
3. Next the amount needed to satisfy the casino support services contract is credited to the Casino Support Services Fund
4. After satisfying 1-3, the remaining monies are deposited in the SELF.

Gross revenue = net gaming proceeds (Dollars In less Payouts)

LA R.S. 27:241.1 calls for 18.5% of gross revenues. The state negotiated 21.5% in the Casino Operating Contract.