

State of Arkansas  
94th General Assembly  
Regular Session, 2023

# A Bill

HOUSE BILL 1389

By: Representative Gramlich

By: Senator Stone

## For An Act To Be Entitled

AN ACT TO REQUIRE A SERVICE INDUSTRY LICENSE FOR  
CERTAIN PERSONS OR ENTITIES RELATED TO CASINO GAMING;  
TO REQUIRE BACKGROUND CHECKS FOR SERVICE INDUSTRY  
LICENSEES EMPLOYED BY A FRANCHISE HOLDER OR CASINO  
LICENSEE; AND FOR OTHER PURPOSES.

## Subtitle

TO REQUIRE A SERVICE INDUSTRY LICENSE FOR  
CERTAIN PERSONS OR ENTITIES RELATED TO  
CASINO GAMING; AND TO REQUIRE BACKGROUND  
CHECKS FOR SERVICE INDUSTRY LICENSEES  
EMPLOYED BY A FRANCHISE HOLDER OR CASINO  
LICENSEE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 23-117-102 is amended to read as follows:

23-117-102. Licenses for employees – Service industry licenses –  
Background checks.

(a) The Arkansas Racing Commission shall require a person employed by  
a franchise holder or casino licensee in the conduct of wagering on casino  
gaming games or devices to obtain a license from the commission.

(b) A person or entity shall not sell or otherwise supply casino  
gaming devices or services to a franchise holder or casino licensee for the  
conduct of wagering on casino gaming devices as authorized in this chapter or  
provide repair or other services to casino gaming devices unless the person



or entity has:

(1) Demonstrated to the satisfaction of the commission that the person or entity has the capability and qualifications necessary to reasonably furnish the equipment and perform the services to be provided by the supplier; and

(2) Obtained a service industry license from the commission.

(c) A service industry license is required for any person or entity that:

(1) Manufactures, sells, leases, supplies, or distributes devices, machines, equipment, accessories, objects, or articles that:

(A) Are designed specifically for use in casino gaming operations of the franchise holder or casino licensee;

(B) Are needed to carry out the activities of an authorized game;

(C) Have the capacity to affect the result of the play of an authorized game; or

(D) Have the capacity to affect the calculation, storage, collection, or control of the gross revenues;

(2) Provides maintenance services or repairs gaming equipment for casino gaming of the franchise holder or casino licensee;

(3) Provides management or operational services to a franchise holder or casino licensee for the person's or entity's casino gaming operations;

(4) Supplies materials, maintenance, management, or operational services, including without limitation security systems, gaming devices, and money handling or storage devices;

(5) Conducts more than one hundred fifty thousand dollars (\$150,000) in business with one (1) franchise holder or casino licensee;

(6) Is a key employee of a licensed service industry vendor that has the ability to direct, control, or manage operations and who has the discretionary authority over the decision-making within the licensed service industry vendor; or

(7) Is a general employee of a licensed service industry vendor that has direct access or remote access to a franchise holder's or casino licensee's casino gaming operations.

~~(b)(1)(A)~~ (d)(1)(A) An applicant for a license under this section

shall be fingerprinted to determine the applicant's suitability to be issued a license by the commission.

(B) The commission shall forward the fingerprints obtained under subdivision ~~(b)(1)(A)~~ (d)(1)(A) of this section to the Division of Arkansas State Police for statewide criminal and noncriminal background checks.

(C) After completion of the statewide criminal and noncriminal background checks under subdivision ~~(b)(1)(B)~~ (d)(1)(B) of this section, the division shall forward the fingerprints obtained under subdivision ~~(b)(1)(A)~~ (d)(1)(A) of this section to the Federal Bureau of Investigation for a national criminal history record check.

(D) The commission shall be the recipient of the record check from the Federal Bureau of Investigation.

(2) An applicant for a license under this section shall sign a release that authorizes the:

(A) Division to forward the applicant's fingerprint card to the Federal Bureau of Investigation for a national criminal history record check; and

(B) Release of the results of the statewide criminal and noncriminal background check and the national criminal history record check performed under this section to the commission.

(3)(A) Any information received by the commission from the statewide criminal and noncriminal background check or the national criminal history record check required under this section shall be kept confidential and shall be used by the commission only for the purpose of determining the applicant's suitability to be licensed by the commission under this section.

(B) The commission may disclose information received by the commission from the statewide criminal and noncriminal background check and the national criminal history record check required under this section to the applicant.

(4) A statewide criminal and noncriminal background check or national criminal history record check is not required of applicants for certain classes of licenses that have been exempted from investigation under rules promulgated by the commission.

(5) The commission shall promulgate rules to implement this subsection.

~~(e)~~(e) A person who knowingly makes a false statement on a license application under this section upon conviction is guilty of a Class A misdemeanor.

**APPROVED: 3/16/23**