

Stricken language would be deleted from and underlined language would be added to the Arkansas Constitution.

State of Arkansas
95th General Assembly
Regular Session, 2025

HJR 1019

By: Representative S. Meeks

HOUSE JOINT RESOLUTION

AN AMENDMENT TO THE ARKANSAS CONSTITUTION TO REMOVE REFERENCES TO GREYHOUND RACING FROM ARKANSAS CONSTITUTION, AMENDMENT 100, IN LIGHT OF AN ENTITY NO LONGER HOLDING A FRANCHISE TO CONDUCT GREYHOUND RACING IN THE STATE OF ARKANSAS; AND TO AMEND THE DISTRIBUTION OF THE NET CASINO GAMING RECEIPTS TAX AND REQUIRED CONTRIBUTIONS TO RACING PURSES AND THE PROMOTION OF BREEDING ACTIVITIES IN LIGHT OF AN ENTITY NOT HOLDING A FRANCHISE TO CONDUCT GREYHOUND RACING IN THE STATE OF ARKANSAS.

Subtitle

AN AMENDMENT TO THE ARKANSAS CONSTITUTION TO REMOVE REFERENCES TO GREYHOUND RACING FROM ARKANSAS CONSTITUTION, AMENDMENT 100.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FIFTH GENERAL ASSEMBLY OF THE STATE OF ARKANSAS, AND BY THE SENATE, A MAJORITY OF ALL MEMBERS ELECTED TO EACH HOUSE AGREEING THERETO:

THAT the following is proposed as an amendment to the Constitution of the State of Arkansas, and upon being submitted to the electors of the state for approval or rejection at the next general election for Representatives and Senators, if a majority of the electors voting thereon at the election adopt the amendment, the amendment shall become a part of the Constitution of the State of Arkansas, to wit:



SECTION 1. Arkansas Constitution, Amendment 100, § 3(b), concerning the authorization for casinos and casino gaming, is amended to read as follows:

(b) Casino licensees may accept wagers on sporting events if and when not prohibited by federal law. A Franchise holder ~~holders~~ holder may continue to accept wagers on horse ~~and greyhound~~ racing as now or hereafter provided under the Arkansas Horse Racing Law, Ark. Code Ann. § 23-110-101 et seq., ~~and the Arkansas Greyhound Racing Law, Ark. Code Ann. § 23-111-101 et seq., as the case may be.~~

SECTION 2. Arkansas Constitution, Amendment 100, § 4(b), concerning the licensing of casinos and casino gaming, is amended to read as follows:

(b) Casino gaming under this Amendment shall not be regulated under or be subject to the provisions of the Local Option Horse Racing ~~and Greyhound Racing~~ Electronic Games of Skill Act, Ark. Code Ann. § 23-113-101 et seq.

SECTION 3. Arkansas Constitution, Amendment 100, § 5, is amended to read as follows:

§ 5. Graduated taxation and distribution of proceeds.

(a) For each fiscal year, a casino licensee's net casino gaming receipts are subject to a net casino gaming receipts tax as follows:

(1) 13% on the first \$150,000,000 of net casino gaming receipts or any part thereof; and

(2) 20% on net casino gaming receipts exceeding \$150,000,001 or any part thereof; ~~and~~.

(b) Each casino licensee shall be subject to the same income, property, sales, gross receipts, use, employment, and other taxation as any for-profit business located in the county and city or town in which the casino is located, except that no sales or gross receipts tax shall apply to casino gaming receipts or net casino gaming receipts.

(c) The net casino gaming receipts tax shall be distributed as follows:

(1) 55% to the ~~Arkansas~~ General Revenue Fund Account;

(2) 17.5% to the ~~to the~~ Arkansas Racing Commission for deposit into the Arkansas Racing Commission Purse and Awards Fund to be used only for purses for live horse racing ~~and greyhound racing~~ by the Franchise ~~holders~~,

~~holder as the case may be, and then to be apportioned as set forth in section (e),;~~

(3) 8% to the county in which the casino is located,; and

(4) 19.5% to the city or town in which the casino is located, provided that the casino is not located within a city or town, then the 19.5% dedicated to the city or town shall go to the county in which the casino is located.

(d) On the last day of each month, the Treasurer of State shall transfer the 17.5% of revenues derived by the taxes levied under this Amendment referenced in ~~section~~ subdivision (c)(2) of this section to the Arkansas Racing Commission to be distributed to the ~~Franchise holders as follows: for the period prior to January 1, 2024, 60% shall be distributed to the Franchise holder operating a franchise to conduct horse racing, and 40% shall be distributed to the Franchise holder operating a franchise to conduct greyhound racing; and for each calendar year thereafter, pro rata to the Franchise holders based upon the total respective amounts of each Franchise holder's pari-mutuel wagering handle during each respective immediately preceding calendar year from wagers placed on and off track on the Franchise holder's live races (horse or greyhound, as the case may be) conducted at the Franchise holder's licensed premises.~~

(e) On the last day of each month, the Treasurer of State shall transfer the other percentage allocations made in ~~section~~ subsection (c) of this section to the designated entities.

SECTION 4. Arkansas Constitution, Amendment 100, § 6, is amended to read as follows:

§ 6. Contribution to purses and promotion of Arkansas thoroughbred ~~and greyhound~~ breeding activities.

(a) For so long as a Franchise holder is operating a franchise to conduct horse racing, an amount equal to 14% of the net casino gaming receipts shall be set aside by the Franchise holder in a separate account and used only for purses for live horse racing by the Franchise holder.

~~(b) For so long as a Franchise holder is operating a franchise to conduct greyhound racing, an amount equal to 14% of the net casino gaming receipts shall be set aside by the Franchise holder in a separate account and used only for purses for live greyhound racing and for capital improvements~~

~~to the Franchise holder's facility by the Franchise holder. The amount of net casino gaming receipts set aside in this paragraph shall be apportioned as follows:~~

~~(1) 80% for purses for live greyhound racing by the Franchise holder; and~~

~~(2) 20% for capital improvements to the Franchise holder's facility so long as any amount so apportioned for capital improvements shall be matched by the Franchise holder and used only for capital improvements to the Franchise holder's facility.~~

~~(e)(b)~~ With respect to a Franchise holder ~~operating a franchise to conduct horse racing~~, an amount equal to 1% of the net casino gaming receipts by the ~~horse racing~~ Franchise holder shall be paid by the Franchise holder to the Arkansas Racing Commission for deposit into the Arkansas Racing Commission Purse and Awards Fund to be used for purse supplements, breeders' awards, owners' awards, and stallion awards as provided in Ark. Code Ann. § 23-110-409 in order to promote and encourage thoroughbred horse breeding activities in Arkansas.

~~(d)~~ With respect to a Franchise holder ~~operating a franchise to conduct greyhound racing~~, an amount equal to 1% of the net casino gaming receipts by the ~~greyhound racing~~ Franchise holder shall be paid by the Franchise holder to the Arkansas Racing Commission to be used for breeders' awards as provided in the Arkansas Racing Commission's rules and regulations governing ~~greyhound racing in Arkansas in order to promote and encourage greyhound breeding activities in Arkansas.~~

~~(e)(1)(c)(1)~~ The dedication of net casino gaming receipts to purses and breeding activities as set forth in this section shall not be subject to any contract or agreement between the Franchise holder and any organization representing horsemen or ~~greyhound~~ horse owners or trainers, to the end that any such contractual obligations for the use of moneys for purses shall not apply to the funds dedicated to purses and breeding activities as set forth in this section.

(2) The moneys dedicated to purses and breeding activities as set forth in this section are intended to be in addition to any such contractual purse obligations affecting moneys other than the amounts dedicated to purses and breeding activities as set forth in this section, as well as in addition to amounts required to be used for purses and breeding

activities under applicable provisions of the Arkansas Horse Racing Law, Ark. Code Ann. § 23-110-101 et seq., ~~and the Arkansas Greyhound Racing Law, Ark. Code Ann. § 23-111-101 et seq., as the case may be.~~

~~(f)~~(d) The Arkansas Racing Commission shall have jurisdiction to check and verify compliance by the Franchise ~~holders~~ holder with the provisions of this section and shall make periodic determinations as to compliance under rules ~~and regulations~~ adopted by the Arkansas Racing Commission.

SECTION 5. EFFECTIVE DATE. This amendment to the Arkansas Constitution is effective on and after January 1, 2027.

SECTION 6. BALLOT TITLE AND POPULAR NAME. When this proposed amendment is submitted to the electors of this state on the general election ballot:

(1) The title of this joint resolution shall be the ballot title; and

(2) The popular name shall be "A Constitutional Amendment to Remove References to Greyhound Racing from Arkansas Constitution, Amendment 100, in Light of an Entity No Longer Holding a Franchise to Conduct Greyhound Racing in the State of Arkansas and to Amend the Distribution of the Net Casino Gaming Receipts Tax and Required Contributions to Racing Purses and the Promotion of Breeding Activities in Light of an Entity Not Holding a Franchise to Conduct Greyhound Racing in the State of Arkansas."