

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Representative Allen**

A Bill

HOUSE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 23-110-407 (a) (3)
9 CONCERNING REVENUES FOR CONSTRUCTION SET ASIDE BY A HORSE
10 RACING FRANCHISE HOLDER; AND FOR OTHER PURPOSES."

Subtitle

14 "AN ACT CONCERNING REVENUES FOR CONSTRUCTION SET ASIDE BY
15 A HORSE RACING FRANCHISE HOLDER."

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

19 SECTION 1. Arkansas Code 23-110-407(a) (3) is amended to read as follows:

20 "(3) The remainder of the amounts withheld pursuant to the provisions
21 of subdivision (a) (1) of this section shall be retained by the franchise
22 holder for use as follows:

23 (A) For all racing meets in calendar year 1989 and in each
24 calendar year thereafter, three percent (3%) of all moneys wagered on races
25 where the wagerer is required to select one (1) horse and two percent (2%) of
26 all moneys wagered on races where the wagerer is required to select more than
27 one (1) horse, the purse and construction moneys shall be set aside by the
28 franchise holder in a separate account to be used only for purses and
29 construction, or for debt service on money borrowed by the franchise holder
30 for construction. For the purpose of this section, construction shall
31 include all items and expenditures incurred in keeping the overall racing
32 facility in the best possible condition for the patrons, horsemen, and
33 franchise holder, including, without limitation, land acquisition, new
34 construction with related equipment, and reconstruction, renovation,
35 reconditioning, and repairing of facilities with related equipment. The

1 commission shall have jurisdiction to check and verify compliance by the
2 franchise holder with the provisions of this subdivision and shall make
3 periodic determinations as to compliance under such rules and regulations as
4 the commission shall adopt. In the case of construction, the commission may
5 use a multi-year approach based on a multi-year program being undertaken by
6 the franchise holder so that accountability for expenditures may be based on
7 expenditures made during the entire multi-year period out of the purse and
8 construction moneys derived during the multi-year period. If there is a final
9 determination that any of the purse and construction moneys have not been used
10 for the purposes herein specified, the franchise holder shall pay the amount
11 equal to any moneys used for an unauthorized purpose to the commission for the
12 use and benefit of the State of Arkansas. The purse and construction moneys
13 shall not be subject to the provisions of any contract or agreement between
14 the franchise holder and any organization representing horsemen, to the end
15 that any contractual obligations for the use of moneys for purses shall not
16 apply to any expenditures for construction out of the purse and construction
17 moneys, and any expenditures for purses out of the purse and construction
18 moneys shall be in addition to contractual purse obligations affecting moneys
19 other than the purse and construction moneys. The franchise holder shall
20 determine the amount of the purse and construction moneys to be used for the
21 authorized purposes, except that at least one-half (1/2) of the purse and
22 construction moneys must be used for purses.

23 (B) The remainder of the amounts withheld pursuant to the
24 provisions of subdivision (a)(1) of this section shall be retained by the
25 franchise holder for its own use and benefit.

26 (C) One percent (1%) of the moneys set aside by the franchise
27 holder for purses from the moneys retained by it pursuant to the provisions of
28 subdivision (a)(3) of this section, including that portion of the purse and
29 construction moneys actually used for purses, shall be paid from such moneys
30 set aside for purses to the Arkansas Horsemen's Benevolent and Protective
31 Association to be used for its benevolent purposes. Such payment shall be
32 made by the franchise holder at the conclusion of each racing meet."

33

34 SECTION 2. All provisions of this act of a general and permanent
35 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas

1 Code Revision Commission shall incorporate the same in the Code.

2

3 SECTION 3. If any provision of this act or the application thereof to
4 any person or circumstance is held invalid, such invalidity shall not affect
5 other provisions or applications of the act which can be given effect without
6 the invalid provision or application, and to this end the provisions of this
7 act are declared to be severable.

8

9 SECTION 4. All laws and parts of laws in conflict with this act are
10 hereby repealed.

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

1

2