

Hall of the House of Representatives
91st General Assembly - Regular Session, 2017
Amendment Form

Subtitle of House Bill No. 2250
CONCERNING PAID FANTASY SPORTS GAMES.

Amendment No. 1 to House Bill No. 2250

Amend House Bill No. 2250 as originally introduced:

Delete everything after the enacting clause and substitute the following:

"SECTION 1. Arkansas Code § 19-6-201, concerning the enumeration of general revenues, is amended to add an additional subdivision to read as follows:

(73) Paid fantasy sports games tax, § 23-116-104.

SECTION 2. Arkansas Code Title 23 is amended to add an additional chapter to read as follows:

CHAPTER 116
PAID FANTASY SPORTS GAMES

Subchapter 1 – General Provisions

23-116-101. Legislative findings.

(a) The General Assembly finds that a paid fantasy sports game conducted in compliance with this chapter does not constitute gambling for any purpose.

(b) Paid fantasy sports games conducted in compliance with this chapter are exempt from § 5-66-101 et seq.

23-116-102. Definitions.

As used in this subchapter:

(1) "Game operator" means a person who:

(A) Is engaged in the business of professionally conducting paid fantasy sports games for cash prizes for members of the general public; and

(B) Requires cash or a cash equivalent as an entry fee to be paid by a member of the general public who participates in a paid fantasy sports game;

(2) "Game participant" means an individual who participates in a paid fantasy sports game offered by a game operator;

(3) "Gross paid fantasy sports game revenues" means the amount equal to the total of all entry fees that a game operator collects from all



game participants, less the total of all sums paid out as prizes to all game participants, multiplied by the location percentage for this state;

(4) "Location percentage" means, for each paid fantasy sports game, the percentage rounded to the nearest tenth of a percent of the total of entry fees collected from game participants located in this state, divided by the total of entry fees collected from all game participants in paid fantasy sports games;

(5) "Paid fantasy sports game" means any fantasy or simulation sports game or contest that meets the following conditions:

(A) The values of all prizes and awards offered to winning game participants in public contests are established and made known to the game participants in advance of the game or contest;

(B) All winning outcomes reflect the relative knowledge and skill of the game participants and are determined predominantly by accumulated statistical results of the performance of individuals, including athletes in the case of sporting events;

(C) A winning outcome is not based on the score, point spread, or performance or performances of any single team or combination of teams or solely on any single performance of an individual athlete or player in any single event;

(D) The statistical results of the performance of individuals under subdivision (5)(B) of this section are not based on college or high school sports;

(E)(i) Each game participant is required to pay an entry fee to participate.

(ii) Payment under subdivision (5)(E)(i) of this section shall be with cash or a cash equivalent and is not gambling for the purposes of § 5-66-101 et seq.; and

(6) "Person" means any association, corporation, limited liability company, fiduciary, individual, joint stock company, joint venture, partnership, sole proprietorship, or other private legal entity.

23-116-103. Paid fantasy sports games authorized.

A game operator is authorized to conduct paid fantasy sports games through one (1) or more websites or platforms maintained and operated by the game operator.

23-116-104. Tax on paid fantasy sports games.

At the end of each state fiscal year, a game operator shall pay a tax for the privilege of conducting paid fantasy sports games under this chapter in an amount of eight percent (8%) of the game operator's gross paid fantasy sports game revenues from the previous state fiscal year."

The Amendment was read _____

By: Representative Gazaway
BPG/TDW - 03-08-2017 13:58:22
BPG480

Chief Clerk