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STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR
March 29, 2019

Senator Larry Teague, Co-Chair
Representative Lane Jean, Co-Chair
Joint Budget Committee
Arkansas General Assembly
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

I respectfully request the following amendments to HB1090, the 2019-2020 Operations Appropriation Bill for the Arkansas Department of Finance and Administration - Division of Racing.

Please amend the following sections:

SECTION 1. REGULAR SALARIES - OPERATIONS as follows and renumber accordingly:

Item Class	No.	Code	Title	No. of Employees	Maximum Annual
					Salary Rate
					Fiscal Year
					2019-2020
(3)	X069C		DFA HORSE RACING SUPERVISOR	± 3	GRADE GS09
(4)	X084C		DFA DOG RACING SUPERVISOR	± 2	GRADE GS06
(X)	C037C		ADMINISTRATIVE ANALYST	2	GRADE GS06
MAX. NO. EMPLOYEES				± 15	

SECTION 3. APPROPRIATION as follows:

ITEM NO.	FISCAL YEAR	
	2019-2020	
(01) REGULAR SALARIES	645,989	740,828
(02) EXTRA HELP	371,643	460,000
(03) PERSONAL SERVICES MATCHING	289,177	331,414
(05) MAINT. & GEN. OPERATION		

(A) OPER. EXPENSE	235,847	<u>290,914</u>
(B) CONF. & TRAVEL	3,000	<u>7,500</u>
(C) PROF. FEES	35,000	<u>50,000</u>
TOTAL AMOUNT APPROPRIATED	\$ 1,590,656	<u>\$ 1,890,656</u>

The request for additional appropriation in the amount of \$300,000 is for compensation of two (2) additional administrative positions due to the expanded casino requirements, corrections to the classification of the two (2) race track supervisors, additional extra help to assist with the extended live race season at Oaklawn, and hourly pay increases for returning seasonal extra help at Oaklawn and Southland.

Issue 4 authorizes the expansion of gambling operations at Oaklawn Racing and Gaming in Hot Springs and Southland Gaming and Racing in West Memphis. The measure also authorizes the state to issue licenses for casinos in Jefferson and Pope counties.

The Arkansas Racing Commission unanimously approved Oaklawn's request to race 57 days in 2019. Oaklawn's new schedule pushes its start date two weeks later than normal and end date three weeks later than normal, allowing for less cancellation due to weather, more races per day and an additional week of racing.

SECTION X. APPROPRIATION - PURSES AND AWARDS TRANSFERS. There is hereby appropriated, to the Department of Finance and Administration – Division of Racing, to be payable from the cash fund deposited in the State Treasury as determined by the Chief Fiscal Officer of the State, for the transfers to the Department of Finance and Administration – Division of Racing Purses and Awards Fund for the fiscal year ending June 30, 2020, the following:

ITEM NO.	FISCAL YEAR
(20) <u>REFUNDS, INVESTMENTS, TRANSFERS</u>	<u>2019-2020</u>
	<u>5,000,000</u>
<u>TOTAL AMOUNT APPROPRIATED</u>	<u>\$5,000,000</u>

This new appropriation section will allow the Racing Commission to meet the requirements of the Arkansas Casino Gaming Amendment which calls for 17.5% of the 20% on any net revenue above the first \$150,000,000 of net casino revenue be deposited to the Arkansas Racing Commission Purse and Awards Fund to be used only for purses for live horse racing at Oaklawn and greyhound racing at Southland.

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I appreciate your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Asa Hutchinson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Asa Hutchinson

AH:db:cjs