

Department of Finance and Administration

Legislative Impact Statement

Bill: SB637

Bill Subtitle: TO AMEND THE LAW REGARDING GREYHOUND RACING; AND TO AUTHORIZE THE USE OF PAYABLE WINNINGS AGREEMENTS.

Basic Change :

Sponsor: Sen. K. Ingram; Reps. D. Ferguson and Nicks

SB637 allows the owner of a greyhound to pay a percentage or agreed upon amount of winnings from greyhound racing to be paid to a nonprofit organization described under Internal Revenue Code 501(c) as in effect on January 1, 2019.

Revenue Impact :

None.

Taxpayer Impact :

The owner of a greyhound may use a payable winnings agreement to designate a portion of racing winnings to a nonprofit organization.

Resources Required :

None.

Time Required :

None.

Procedural Changes :

None.

Other Comments :

None.

Legal Analysis :

SB637 authorizes the use of payable winnings agreements in greyhound racing. Current regulations of the Racing Commission permit a franchise holder (entity authorized to conduct greyhound racing) to deduct a percentage of the purse winnings for the benefit of a third party, but only at the request of the person to whom the winnings are payable. This bill would authorize such "payable winnings agreements" if the agreement provided for payment of the deducted amount to a 501(c)(3) nonprofit corporation. The bill also provides that "payable winnings" will not include net casino gaming receipts as defined in the Arkansas Casino Gaming Amendment of 2018 so that the casino gaming winnings would not be subject to an agreement as described in this bill.