

State of Arkansas Department of Finance and Administration Fiscal Impact Statement

Bill: HB1721 Bill Subtitle: TO AMEND SECTIONS OF THE ARKANSAS CODE TO PROHIBIT GREYHOUND RACING AND SIMULCASTING OF GREYHOUND RACING.

Sponsors:

Rep. M. Brown and Sen. Scott

Basic Change:

HB1721 prohibits greyhound racing and the acceptance of wagers on greyhound racing by:

- An entity holding a casino license from the Arkansas Racing Commission;
- The holder of a franchise to conduct horse racing; or
- The holder of a franchise to conduct greyhound racing.

HB1721 repeals the Arkansas Racing Commission's authority to adopt rules permitting wagering on greyhound racing shown live by television or any other manner either to or from the premises of a greyhound racing franchise holder.

HB1721 is effective on and after January 1, 2028.

Fiscal Impact:

None.

[The state currently collects 1% of the total handle on greyhound races. Recent collections from this revenue source have been declining (FY2023 - \$304,613; FY 2024 - \$206,880), which represents a 32% decline year-over-year and continuing a downward trend in greyhound racing revenue. If this trend persists, collections will likely continue to decrease each year leading up to 2028. While the full elimination of greyhound racing in Arkansas will result in the loss of this revenue source beginning on January 1, 2028, the long-term fiscal impact may be minimal as the industry was already in decline.]

Taxpayer Impact:

Greyhound racing operators, bettors, and associated businesses will no longer be able to engage in live or simulcast wagering on greyhound races in Arkansas on and after January 1, 2028.

Resources Required:

Minimal additional resources are required for implementation.

Time Required:

Adequate time is provided for implementation.



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Procedural Changes:

The Arkansas Racing Commission will need to update rules to remove provisions related to greyhound racing and simulcast wagering. Enforcement procedures will also need to be modified to ensure compliance with the new law.

Other Comments:

The only two remaining greyhound tracks in the United States are located in West Virginia. Arkansas bettors would have have limited options for future participation in greyhound racing. No casino licensees are currently operating greyhound racing in Arkansas.

Legal Analysis:

None.
