

1 State of Arkansas
2 84th General Assembly
3 First Extraordinary Session, 2003
4

Call Item 17

A Bill

HOUSE BILL 1033

5 By: Representatives Jones, R. Smith, Mathis
6 By: Senators T. Smith, Higginbothom
7

For An Act To Be Entitled

10 AN ACT TO RAISE ADDITIONAL TAX REVENUE BY
11 AUTHORIZING HORSE RACING AND GREYHOUND RACING
12 FRANCHISEES TO CONDUCT WAGERING ON ELECTRONIC
13 GAMES OF SKILL.

Subtitle

16 TO RAISE ADDITIONAL TAX REVENUE BY
17 AUTHORIZING HORSE RACING AND GREYHOUND
18 RACING FRANCHISEES TO CONDUCT WAGERING
19 ON ELECTRONIC GAMES OF SKILL.
20
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code Title 23 is amended to add an additional
25 chapter to read as follows:

26 Chapter 113.

27
28 WAGERING ON ELECTRONIC GAMES OF SKILL CONDUCTED BY HORSE RACING AND GREYHOUND
29 RACING FRANCHISEES

30
31 SUBCHAPTER 1 - GENERAL PROVISIONS

32
33 23-113-101. Title.

34 This chapter shall be referred to and may be cited as "The Horse Racing
35 and Greyhound Racing Franchisee Electronic Games of Skill Wagering Act."
36



1 23-113-102. Definitions.

2 As used in this chapter:

3 (1) "Arkansas Greyhound Racing Law" means the Arkansas Greyhound
4 Racing Law, § 23-111-101 et seq.;

5 (2) "Arkansas Horse Racing Law" means the Arkansas Horse Racing
6 Law, § 23-110-101 et seq.;

7 (3) "Commission" means the Arkansas Racing Commission or its
8 successor having jurisdiction over horse racing and greyhound racing in this
9 state;

10 (4) "Director" means the Director of the Arkansas Department of
11 Finance and Administration;

12 (5)(A) "Electronic games of skill" mean games played through any
13 electronic device or machine that afford an opportunity for the exercise of
14 skill or judgment where the outcome is not completely controlled by chance
15 alone.

16 (B) "Electronic games of skill" include electronic
17 versions of games such as poker, twenty-one, checkers, games involving
18 formation of words with letters, and other electronic games affording an
19 opportunity for the exercise of skill or judgment where the outcome is not
20 completely controlled by chance alone;

21 (6) "Franchise holder" means any person holding a franchise to
22 conduct horse racing under the Arkansas Horse Racing Law or greyhound racing
23 under the Arkansas Greyhound Racing Law;

24 (7) "Net wagering revenues from electronic games of skill" means
25 the gross wagering revenues received by a franchise holder from wagers placed
26 by patrons on electronic games of skill, less amounts paid out, or separately
27 reserved under rules of the commission for future payout, to patrons on the
28 wagers; and

29 (8) "Person" means any individual, corporation, partnership,
30 association, trust, or other entity.

31
32 SUBCHAPTER 2 - AUTHORIZATION OF WAGERING ON ELECTRONIC GAMES OF SKILL

33
34 23-113-201. Wagering on electronic games of skill permitted -
35 Conditions and limitations.

36 (a)(1) In addition to pari-mutuel wagering on horse and greyhound

1 racing authorized by the Arkansas Horse Racing Law and Arkansas Greyhound
 2 Racing Law, respectively, any franchise holder may conduct wagering on
 3 electronic games of skill in accordance with this chapter at any time or
 4 times during the calendar year at locations on the grounds of the franchise
 5 holder's racetrack site where the franchise holder is authorized by the
 6 commission to conduct pari-mutuel wagering on horse racing or greyhound
 7 racing pursuant to the Arkansas Horse Racing Law or Arkansas Greyhound Racing
 8 Law, as the case may be.

9 (2)(A) The franchise holder may not conduct wagering on
 10 electronic games of skill under this chapter unless the question of the
 11 wagering on electronic games of skill has been submitted to the electors of
 12 the city, town, or county in which the franchise holder's racetrack site is
 13 located where the wagering on electronic games of skill is to be conducted,
 14 at a special or any regular election, and a majority of the electors voting
 15 on the question shall have approved the wagering on electronic games of skill
 16 at the election. If the racetrack site is located within the corporate
 17 limits of a city or town, the question shall be submitted to the electors of
 18 either the city, town, or county in which the racetrack site is located, as
 19 requested by the franchise holder, and if the racetrack site is not located
 20 within the corporate limits of a city or town, then the question shall be
 21 submitted to the electors of the county in which the racetrack site is
 22 located.

23 (B) The governing body of the city, town, or county, as
 24 the case may be, shall submit the question to the electors as and when
 25 requested by the franchise holder. The franchise holder may make requests on
 26 one or more occasions, and elections so requested from time to time by the
 27 franchise holder may be held during any one or more calendar years as
 28 requested from time to time by the franchise holder, but not more than two
 29 (2) special elections shall be held during any particular calendar year. The
 30 cost incurred by the city, town, or county involved in conducting each
 31 special election pursuant to the franchise holder's request shall be paid by
 32 the franchise holder. The election shall be held and conducted under the
 33 general election laws of the state except as otherwise provided in this
 34 subdivision (2).

35 (C) The ordinance shall set forth the ballot question
 36 substantially as follows:

1 "For wagering on electronic games of skill conducted by _____ [name of
2 franchise holder] on the grounds of its racetrack site in _____
3 [city, town, or county] []

4
5 Against wagering on electronic games of skill conducted by _____ [name of
6 franchise holder] on the grounds of its racetrack site in _____
7 [city, town, or county] []

8
9 As authorized by Arkansas Code § 23-113-201, the question presented is
10 whether or not wagering on electronic games of skill may be conducted by
11 _____ [name of franchise holder] on the grounds of its
12 racetrack site in _____ [city, town, or county]. Vote for or
13 against the question by marking the appropriate box above. Electronic games
14 of skill mean games played through any electronic device or machine that
15 afford an opportunity for the exercise of skill or judgment where the outcome
16 is not completely controlled by chance alone, and include electronic versions
17 of games such as poker, twenty-one, checkers, games involving formation of
18 words with letters, and other electronic games affording an opportunity for
19 the exercise of skill or judgment where the outcome is not completely
20 controlled by chance alone."

21 (D) Notice of the election shall be given by the clerk of
22 the city, town, or county involved by one (1) publication in a newspaper
23 having general circulation within the city, town, or county involved not less
24 than ten (10) days before the election. No other publication or posting of a
25 notice by any other public official shall be required.

26 (E) The election shall be held no earlier than fifteen
27 (15) days after the date of adoption of the ordinance in which the election
28 is called by the legislative body.

29 (F) The mayor of the city or town or the county judge of
30 the county, as the case may be, shall proclaim the results of the election by
31 issuing a proclamation and publishing it one (1) time in a newspaper having
32 general circulation within the city, town, or county involved. The results
33 of the election as stated in the proclamation shall be conclusive unless suit
34 is filed in the circuit court in the county where the election took place
35 within twenty (20) days after the date of publication of the proclamation.

36 (G) If and when the wagering on electronic games of skill

1 is approved at any election as provided in this subdivision, that approval
2 shall be final and shall continue in effect thereafter for so long as
3 wagering on electronic games of skill at the location involved is authorized
4 by the other provisions of this chapter (i.e., the provisions of this chapter
5 other than this subdivision (2)).

6 (b)(1) In order to conduct wagering on electronic games of skill
7 during a calendar year, the franchise holder must have been licensed by the
8 commission to conduct a live racing meet within the calendar year or the
9 immediately preceding the calendar year of either:

10 (A) Horse racing under the Arkansas Horse Racing Law; or

11 (B) Greyhound racing under the Arkansas Greyhound Racing
12 Law.

13 (2) However, the commission may waive this requirement if the
14 license had not been issued because of events such as fire, storm, accident
15 or other casualty, epidemic, shortages of horses or greyhounds, war,
16 sabotage, acts of a public enemy, civil disturbances, strikes, labor
17 disputes, work stoppages, or similar events.

18 (c)(1) Wagering on electronic games of skill conducted by a franchise
19 holder in accordance with this chapter shall be lawful, notwithstanding any
20 laws or parts of laws of the State of Arkansas to the contrary.

21 (2) However, this chapter is not intended to authorize a lottery
22 or the sale of lottery tickets prohibited by Article 19, Section 14 of the
23 Arkansas Constitution.

24 (d)(1) In order to constitute an electronic game of skill under this
25 chapter, the game must not be completely controlled by chance alone.

26 (2) A game is not completely controlled by chance alone if the
27 betting public may attain through the exercise of skill or judgment a better
28 measure of success in playing the game than could be mathematically expected
29 on the basis of pure luck, i.e., on the basis of pure random chance alone.

30 (e)(1) Before conducting wagering on an electronic game of skill, the
31 franchise holder shall present to the commission a complete description of
32 the game and the electronic device or machine to be utilized in the play of
33 the game, the proposed rules of play, and such further information as the
34 commission determines is necessary or appropriate in order to effectively
35 carry out its regulatory functions in accordance with this chapter.

36 (2)(A) Within sixty (60) calendar days thereafter, the

1 commission shall make a finding as to whether the game and electronic device
 2 or machine constitutes an electronic game of skill authorized by this
 3 chapter.

4 (B) The finding shall further either approve the proposed
 5 rules of play or recommend modifications as the commission determines are
 6 necessary in the public interest in carrying out its regulatory functions in
 7 accordance with this chapter.

8 (3) If the finding concludes that the game and electronic device
 9 or machine constitutes an electronic game of skill authorized by this chapter
 10 and approves the rules of play or, if applicable, the franchise holder
 11 incorporates the changes recommended by the commission into the final rules
 12 of play, the franchise holder may begin to conduct wagering on the electronic
 13 game of skill, subject to the other provisions of this chapter and other
 14 applicable rules and regulations of the commission adopted pursuant to this
 15 chapter.

16 (4) If the finding concludes that the game and electronic device
 17 or machine does not constitute an electronic game of skill authorized by this
 18 chapter or recommends changes in the proposed rules of play, the commission
 19 shall provide the franchise holder with the opportunity for a hearing by the
 20 commission before the finding is made final by the commission.

21 (f) For each electronic game of skill, the commission shall provide by
 22 appropriate rule or regulation the specifications for establishing that
 23 patrons, in the aggregate, exercising some degree of skill or judgment will,
 24 over the expected lifetime of the electronic game of skill, obtain a payout
 25 of at least eighty-three percent (83%) of the aggregate amounts wagered on
 26 the electronic game of skill.

27 (g) Wagers on electronic games of skill may be made only by
 28 individuals physically present at the location on the grounds of the
 29 franchise holder's authorized racetrack site as set forth in subsection (a)
 30 of this section where electronic games of skill are located and being
 31 operated in accordance with this chapter.

32 (h) No individual under the age of twenty-one (21) years shall be
 33 intentionally allowed to place wagers on electronic games of skill, and the
 34 commission shall provide by rule or regulation appropriate supervisory
 35 procedures for franchise holders to follow in order to safeguard against
 36 individuals under the age of twenty-one (21) years placing wagers on

1 electronic games of skill.

2
3 SUBCHAPTER 3 - ARKANSAS RACING COMMISSION

4
5 23-113-301. Jurisdiction of Arkansas Racing Commission.

6 Subject to the limitations and conditions in this chapter or other
7 applicable law, the commission shall have full administrative regulatory
8 jurisdiction over the business of electronic games of skill and wagering
9 thereon conducted by franchise holders under this chapter.

10
11 23-113-302. Powers and duties.

12 (a) The commission shall, in addition to all other duties, powers, and
13 responsibilities conferred upon it by other laws of this state, exercise the
14 duties, powers, and responsibilities over electronic games of skill, and
15 wagering thereon, as authorized in this chapter, and without necessarily
16 being limited to the following enumeration, but subject to the other
17 provisions of this chapter, it shall be the function, power, and duty of the
18 commission to:

19 (1) Regulate the specific games, devices, machines, and
20 equipment played and utilized in connection with wagering on electronic games
21 of skill, and the rules of play and methods of operation thereof, as
22 contemplated by this chapter, as well as appropriate security and
23 surveillance systems, in order to safeguard fairness and integrity in the
24 conduct and operation of electronic games of skill and wagering thereon;

25 (2) Regulate the specific times of operation and specific areas
26 of the franchise holder's premises where wagering on electronic games of
27 skill may be conducted;

28 (3) Prescribe the procedures for issuing licenses to employees
29 of the franchise holder conducting electronic games of skill and wagering
30 thereon including, without limitation, the information to be submitted by the
31 individuals in connection with their background, employment, experience, and
32 character, as reasonably necessary to determine the individual's
33 qualifications and suitability for the position;

34 (4) Prescribe the procedures for issuing licenses to persons
35 supplying electronic games of skill to the franchise holder including,
36 without limitation, the information to be submitted by the persons in

1 connection with their background, experience, character, business activities,
 2 and financial affairs, as reasonably necessary to determine the person's
 3 qualifications and suitability for supplying electronic games of skill to
 4 franchise holders for use in accordance with this chapter;

5 (5) Have authority to enter upon the premises where electronic
 6 games of skill are being operated and to observe the conduct of wagering
 7 thereon; and

8 (6) Take such other action, not inconsistent with law, as the
 9 commission may deem necessary or desirable in order to supervise and
 10 regulate, and to effectively control in the public interest, the operation of
 11 electronic games of skill and conduct of wagering thereon as authorized by
 12 this chapter.

13 (b) The commission shall have the authority to promulgate, revise,
 14 amend and repeal rules, regulations, and orders consistent with the policy,
 15 objects, and purposes of this chapter, as it reasonably deems necessary or
 16 desirable in the public interest in carrying out the provisions of this
 17 chapter.

18 (c) The commission may require the franchise holder to devote up to
 19 one-half of one percent (0.5%) of the net wagering revenues from electronic
 20 games of skill to programs and activities approved by the commission which
 21 are devoted to mitigating compulsive gambling habits.

22
 23 23-113-303. Licenses for employees and supplies.

24 (a) The commission shall have the authority to require persons
 25 employed by the franchise holder in the conduct of wagering on electronic
 26 games of skill to obtain a license from the commission under procedures
 27 generally consistent with the licensing procedures otherwise applicable to
 28 other employees of the franchise holder engaged in the conduct of pari-mutuel
 29 wagering on horse racing or greyhound racing, as the case may be.

30 (b)(1) No person may sell or otherwise supply electronic games of
 31 skill to a franchise holder for the conduct of wagering thereon as authorized
 32 in this chapter unless the person has:

33 (A) Demonstrated to the satisfaction of the commission
 34 that the person has the capability and qualifications necessary to reasonably
 35 furnish the equipment and perform the services to be provided by the
 36 supplier; and

1 (B) Obtained a license from the commission.

2 (2) Each supplier shall pay to the commission an annual license
 3 fee in the amount of one hundred dollars (\$100) per year for each year or
 4 part thereof that the license is in effect.

5 (c) Any person knowingly making any false statement on an employee or
 6 supplier license application under this chapter shall be guilty of an
 7 unclassified misdemeanor and upon conviction shall be fined an amount not
 8 less than one hundred dollars (\$100) nor more than one thousand dollars
 9 (\$1,000), or by imprisonment for not more than one (1) year, or by both fine
 10 and imprisonment.

11
 12 23-113-304. Hearings.

13 (a)(1) If any franchise holder or other person is aggrieved by any
 14 action of the commission, the franchise holder or other person shall be
 15 entitled to a hearing by the commission.

16 (2) The hearings shall be conducted in accordance with the
 17 rules and procedures governing other commission hearings.

18 (b)(1) At the conclusion of the hearing, the commission shall make its
 19 findings to be the basis for the action taken by the commission.

20 (2) The findings and orders of the commission shall be subject
 21 to review in the Pulaski County Circuit Court, from which an appeal may be
 22 taken to the Arkansas Supreme Court.

23
 24 SUBCHAPTER 4 - CONTRIBUTION TO PURSES AND
 25 ARKANSAS THOROUGHBRED AND GREYHOUND BREEDING PROGRAMS

26
 27 23-113-401. Contribution to purses and promotion of Arkansas
 28 thoroughbred and greyhound breeding activities.

29 (a) An amount equal to fourteen percent (14%) of the net wagering
 30 revenues from electronic games of skill shall be set aside by the franchise
 31 holder in a separate account and used only for purses for live horse racing
 32 or live greyhound racing conducted by the franchise holder, as the case may
 33 be.

34 (b) With respect to a franchise holder operating a franchise to
 35 conduct horse racing, an amount equal to one percent (1%) of the net wagering
 36 revenues from electronic games of skill conducted by the horse racing

1 franchise holder shall be paid by the franchise holder to the commission for
2 deposit into the Arkansas Racing Commission Purse and Awards Fund to be used
3 for purse supplements, breeders' awards, owners' awards, and stallion awards
4 as provided in § 23-110-409 in order to promote and encourage thoroughbred
5 horse breeding activities in Arkansas.

6 (c) With respect to a franchise holder operating a franchise to
7 conduct greyhound racing, an amount equal to one percent (1%) of the net
8 wagering revenues from electronic games of skill conducted by the greyhound
9 racing franchise holder shall be paid by the franchise holder to the
10 commission to be used for breeders' awards as provided in the commission's
11 rules and regulations governing greyhound racing in Arkansas in order to
12 promote and encourage greyhound breeding activities in Arkansas.

13 (d)(1) The dedication of net wagering revenues from electronic games
14 of skill to purses and breeding activities as set forth in this section shall
15 not be subject to any contract or agreement between the franchise holder and
16 any organization representing horsemen or greyhound owners or trainers, to
17 the end that any such contractual obligations for the use of moneys for
18 purses shall not apply to the funds dedicated to purses and breeding
19 activities as set forth in this section.

20 (2) The funds dedicated to purses and breeding activities as set
21 forth in this section are intended to be in addition to any such contractual
22 purse obligations affecting moneys other than the amounts dedicated to purses
23 and breeding activities as set forth in this section, as well as in addition
24 to amounts required to be used for purses and breeding activities under
25 applicable provisions of the Arkansas Horse Racing Law and Arkansas Greyhound
26 Racing Law, as the case may be.

27 (e) The commission shall have jurisdiction to check and verify
28 compliance by the franchise holder with the provisions of this section and
29 shall make periodic determinations as to compliance under rules and
30 regulations adopted by the commission.

31
32 SUBCHAPTER 5 – TAXES

33
34 23-113-501. Taxes.

35 (a) A privilege tax is imposed on wagering on electronic games of
36 skill conducted under this chapter as follows:

1 (1) An amount equal to eighteen percent (18%) of the net
2 wagering revenues from electronic games of skill shall be paid by the
3 franchise holder to the Director of the Department of Finance and
4 Administration for disposition under § 23-113-604;

5 (2) An amount equal to one-half of one percent (0.5%) of the net
6 wagering revenues from electronic games of skill shall be paid by the
7 franchise holder to the county in which the franchise holder is operating the
8 electronic games of skill; and

9 (3) An amount equal to one and one-half percent (1.5%) of the
10 net wagering revenues from electronic games of skill shall be paid by the
11 franchise holder to the city or town in which the franchise holder is
12 operating the electronic games of skill.

13 (b) Except as provided in § 23-113-502, the taxes shall be paid on a
14 monthly basis pursuant to rules and procedures adopted by the director. For
15 years after the first full year of operation of electronic games of skill by
16 the franchise holder under this chapter, the director may adopt procedures
17 for payment of the privilege tax by the franchise holder in advance estimated
18 payments under rules similar to the rules applicable to the payment of
19 estimated income taxes.

20 (c) The taxes levied by this section are in lieu of any state or local
21 gross receipts, sales, or other similar taxes, and to this end the Arkansas
22 Gross Receipts Tax Act of 1941, as amended, § 26-52-101 et seq., shall not be
23 applicable to gross receipts derived by franchise holders from wagering on
24 electronic games of skill.

25 (d) The privilege tax payable to the director under subdivision (a)(1)
26 of this section shall be administered by the director pursuant to the
27 Arkansas Tax Procedure Act, § 26-18-101, et seq., provided regulatory
28 authority over licensing and other matters under this chapter not relating to
29 the administration, payment, and collection of the privilege tax shall remain
30 with the commission.

31
32 23-113-502. Prepayment of Privilege Tax to the State.

33 (a) Upon the approval at a local election of wagering on electronic
34 games of skill as provided § 23-113-201(a)(2), and the results of the
35 election being so proclaimed and becoming conclusive as provided in § 23-113-
36 201(a)(2)(F), the franchise holder located in the city, town, or county, as

1 the case may be, where the approval and local election took place shall pay
 2 to the director ten million dollars (\$10,000,000), if the franchise holder is
 3 a horse racing franchise holder, and eight million dollars (\$8,000,000) if
 4 the franchise holder is a greyhound racing franchise holder, such payment
 5 being a prepayment of the privilege tax payable by the franchise holder to
 6 the director under § 23-113-501(a)(1). If suit is filed contesting the
 7 proclamation or local election, the franchise holder shall not be required to
 8 make the prepayment until the issue is finally resolved in the court
 9 proceedings (including appeals) and the court shall have issued a final order
 10 (after all appeals have been taken and appellate decisions rendered or the
 11 time for appeal has lapsed without appeal) that the election was valid and
 12 that the wagering on electronic games of skill was approved by the electors
 13 of the city, town, or county, as the case may be, as provided in § 23-113-
 14 201(a)(2).

15 (b) The director shall promptly refund the prepayment to the franchise
 16 holder if franchise holder has been unable to conduct wagering on electronic
 17 games of skill as contemplated by this chapter within one (1) year from the
 18 date the prepayment was made because of litigation or other factors outside
 19 the reasonable control of the franchise holder. Otherwise, the prepayment
 20 set forth in subsection (a) of this section shall be a credit applied to the
 21 payments otherwise due from the franchise holder under § 23-113-501(a)(1)
 22 until the full amount of the prepayment has been offset against the payments
 23 otherwise due from the franchise holder under § 23-113-501(a)(1). To the
 24 extent the prepayment has not been refunded or fully utilized as a credit
 25 against the privilege taxes otherwise due from the franchise holder under §
 26 23-113-501(a)(1) within three (3) years from the date the prepayment was
 27 made, the difference remaining shall be a credit applied to any other taxes
 28 thereafter due from the franchise holder to the commission or the State of
 29 Arkansas until the prepayment has been fully so applied and utilized. The
 30 credit shall not be subject to expiration under any applicable statute of
 31 limitation or other similar rule or regulation otherwise applicable to tax
 32 payments or the use of credits against taxes. The director may adopt rules
 33 and regulations to appropriately administer the prepayment and credit
 34 consistent with the provisions of this section.

35
 36 SUBCHAPTER 6 – MISCELLANEOUS

1
2 23-113-601. Duty to maintain records.

3 A franchise holder operating electronic games of skill and conducting
4 wagering thereon under this chapter shall keep a complete set of books and
5 records as necessary to show fully the activities and transactions of the
6 franchise holder with respect to the operations and wagering conducted in
7 accordance with this chapter, and the commission shall have reasonable access
8 to the books and records in order to verify compliance with the provisions of
9 this chapter and the rules and regulations of the commission.

10
11 23-113-602. Inconsistent statutes inapplicable.

12 (a) Title 5, Chapter 66, and all other laws and parts of laws
13 inconsistent with any of the provisions of this chapter are expressly
14 declared not to apply to any person engaged in, conducting or otherwise
15 participating in, operating electronic games of skill or wagering thereon as
16 authorized by this chapter.

17 (b) No person shall be guilty of any criminal offense set forth in
18 Title 5, Chapter 66, or any other law relating to illegal gambling to the
19 extent the person relied on any rule, regulation, order, finding, or other
20 determination by the commission that the activity was authorized by this
21 chapter.

22
23 23-113-603. Pari-mutuel wagering on horse and greyhound racing.

24 (a) This chapter does not apply to, and for purposes of this chapter
25 electronic games of skill do not include, pari-mutuel wagering on horse
26 racing and greyhound racing governed by the Arkansas Horse Racing Law or
27 Arkansas Greyhound Racing Law, whether pari-mutuel wagering on live racing,
28 simulcast racing, or races conducted in the past and rebroadcast by
29 electronic means to the end that pari-mutuel wagering on horse racing and
30 greyhound racing shall continue to be governed by the Arkansas Horse Racing
31 Law and Arkansas Greyhound Racing Law, respectively, and not by this chapter.

32 (b)(1) Provisions of the Arkansas Horse Racing Law and Arkansas
33 Greyhound Racing Law prohibiting wagering other than on horse or greyhound
34 races and other than under the pari-mutuel or certificate method of wagering
35 shall not apply to wagering on electronic games of skill conducted pursuant
36 to this chapter, and to this end the provisions of §§ 23-110-405(d)(1) and

1 23-111-508(b) and (d)(1) and (2), the provisions of §§ 23-110-405(d)(2) and
2 23-111-508(d)(4), and any other inconsistent provisions of the Arkansas Horse
3 Racing Law and Arkansas Greyhound Racing Law shall not apply to wagering on
4 electronic games of skill conducted in accordance with this chapter.

5 (2) Wagering under this chapter is not required to be pari-
6 mutuel.

7
8 23-113-604 Disposition of privilege taxes, license fees, etc.

9 (a) All privilege taxes received by the Director of the Department of
10 Finance and Administration under this chapter for the benefit of the state
11 shall be deposited in the State Treasury to the credit of the General Revenue
12 Fund Account of the State Apportionment Fund.

13 (b) All permit or license fees, penalties, and fines received by the
14 commission under this chapter, shall be deposited in the State Treasury to
15 the credit of the General Revenue Fund Account of the State Apportionment
16 Fund.

17
18 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
19 Eighty-Fourth General Assembly of the State of Arkansas that the state is in
20 urgent need of additional revenues to support state funded programs,
21 functions, and activities; that it is imperative to address immediately these
22 revenue needs and in order to accomplish these objectives, essential to the
23 welfare of the State of Arkansas and its citizens and residents, the
24 provisions set forth in this act must be effective immediately. Therefore,
25 an emergency is declared to exist and this act being immediately necessary
26 for the preservation of the public peace, health, and safety shall become
27 effective on:

28 (1) The date of its approval by the Governor;

29 (2) If the bill is neither approved nor vetoed by the Governor,
30 the expiration of the period of time during which the Governor may veto the
31 bill; or

32 (3) If the bill is vetoed by the Governor and the veto is
33 overridden, the date the last house overrides the veto.