



STATE OF ARKANSAS

Office of the Attorney General

Winston Bryant
Attorney General

Telephone:
(501) 682-2007

Opinion No. 94-112

April 21, 1994

Mr. Craig Douglass
Arkansas First Committee
2848 First Commercial Bldg.
400 West Capitol
Little Rock, AR 72201

Dear Mr. Douglass:

This is in response to your request, received by this office on April 13, 1994, for approval and certification of the following popular name and ballot title, pursuant to A.C.A. § 7-9-107 (1993 Repl.):

(Popular Name)

ARKANSAS STATE LOTTERY, BINGO, PARI-MUTUEL
WAGERING AND ADDITIONAL RACETRACK WAGERING
REGULATORY AMENDMENT

(Ballot Title)

A PROPOSED AMENDMENT TO THE ARKANSAS
CONSTITUTION AUTHORIZING THE STATE OF
ARKANSAS TO CONDUCT A STATE LOTTERY,
INCLUDING A STATE LOTTERY IN CONJUNCTION
WITH LOTTERIES IN OTHER STATES; CREATING
A FIVE-MEMBER ARKANSAS STATE LOTTERY
COMMISSION APPOINTED BY THE GOVERNOR TO
ADMINISTER THE STATE LOTTERY;
PRESCRIBING THE QUALIFICATIONS, TERMS OF
OFFICE AND POWERS AND DUTIES OF
COMMISSION MEMBERS; PROVIDING THAT THE
GOVERNOR SHALL APPOINT AN EXECUTIVE
DIRECTOR OF THE STATE LOTTERY TO MANAGE
THE OPERATION OF THE STATE LOTTERY UNDER
THE SUPERVISION OF THE COMMISSION; AND

ALLOCATING THE TOTAL ANNUAL REVENUES FROM SALES OF LOTTERY TICKETS AS NEAR AS REASONABLY PRACTICAL AS FOLLOWS: 50% TO PRIZES, 34% TO REVENUES RETURNED TO THE PUBLIC TO BENEFIT CRIME PREVENTION AND PUBLIC SCHOOLS, 11% TO THE EXPENSES OF OPERATING THE STATE LOTTERY, AND 5% TO COMMISSION ON TICKET SALES; AUTHORIZING NON-PROFIT, TAX-EXEMPT CHARITABLE, RELIGIOUS AND CIVIC ORGANIZATIONS WHICH HAVE BEEN LICENSED BY THE STATE TO CONDUCT BINGO GAMES AND RAFFLES; PRESCRIBING THE QUALIFICATIONS OF THE PERSONS AND ORGANIZATIONS CONDUCTING BINGO GAMES OR RAFFLES; LIMITING THE ALLOWABLE EXPENSES AND COMPENSATION ASSOCIATED WITH A BINGO GAME OR RAFFLE; AND PROVIDING THAT ALL NET RECEIPTS OVER AND ABOVE THE ACTUAL COST OF CONDUCTING A BINGO GAME OR RAFFLE SHALL BE USED ONLY FOR CHARITABLE, RELIGIOUS OR PHILANTHROPIC PURPOSES; AUTHORIZING A PARI-MUTUEL FRANCHISEE TO CONDUCT PARI-MUTUEL WAGERING, INCLUDING SIMULCASTING AND MERGED-POOL WAGERING, ON HORSES IN GARLAND COUNTY, ARKANSAS, AND A PARI-MUTUEL FRANCHISEE TO CONDUCT PARI-MUTUEL WAGERING, INCLUDING SIMULCASTING AND MERGED-POOL WAGERING, ON GREYHOUNDS IN CRITTENDEN COUNTY, ARKANSAS; AND PROVIDING THAT HORSE RACING AND GREYHOUND RACING AND PARI-MUTUEL WAGERING THEREON SHALL NOT CONSTITUTE A LOTTERY AND SHALL BE REGULATED BY THE GENERAL ASSEMBLY; AUTHORIZING PARI-MUTUEL FRANCHISEES TO CONDUCT ADDITIONAL RACETRACK WAGERING ON OR ADJACENT TO THE SITES WHERE HORSE RACING IS CONDUCTED IN GARLAND COUNTY, ARKANSAS, AND WHERE GREYHOUND RACING IS CONDUCTED IN CRITTENDEN COUNTY, ARKANSAS; DEFINING "ADDITIONAL RACETRACK WAGERING" AS WAGERING ON GAMES OF CHANCE OR SKILL CONDUCTED BY MECHANICAL, ELECTRICAL, ELECTRONIC OR ELECTRO-MECHANICAL DEVICES AND TABLE GAMES; PROVIDING THAT ADDITIONAL RACETRACK WAGERING SHALL NOT BE LIMITED TO THE TIMES WHEN RACING IS BEING CONDUCTED AND SHALL NOT CONSTITUTE A LOTTERY; RENAMING THE ARKANSAS RACING COMMISSION AS THE ARKANSAS RACING AND WAGERING COMMISSION;

EXPANDING THE COMMISSION BY TWO ADDITIONAL MEMBERS TO BE APPOINTED BY THE GOVERNOR AND SETTING THEIR TERMS OF OFFICE; AUTHORIZING THE COMMISSION TO REGULATE ADDITIONAL RACETRACK WAGERING; PROVIDING THAT THE COMMISSION SHALL ADOPT EMERGENCY REGULATIONS BEFORE JANUARY 1, 1995 TO ENSURE THAT ADDITIONAL RACETRACK WAGERING MAY BEGIN AT THAT TIME; AND PROVIDING THAT THE PROVISIONS OF THE AMENDMENT PERTAINING TO ADDITIONAL RACETRACK WAGERING SHALL BE SELF-EXECUTING; PROVIDING THAT A TAX SHALL BE ESTABLISHED ON NET ADDITIONAL RACETRACK WAGERING REVENUES EQUAL TO 8% TO BE PAID TO THE STATE OF ARKANSAS, 1/2 OF 1% TO BE PAID TO THE COUNTY IN WHICH THE PARI-MUTUEL FRANCHISEE IS OPERATING, AND 1% TO BE PAID TO THE CITY IN WHICH THE PARI-MUTUEL FRANCHISEE IS OPERATING; AUTHORIZING THE GENERAL ASSEMBLY TO AMEND SUCH TAX RATES BY A THREE-FOURTHS VOTE OF EACH HOUSE; DEDICATING 20% OF SUCH TAXES PAID TO THE STATE TO THE ARKANSAS DEPARTMENT OF PARKS AND TOURISM AND THE ARKANSAS INDUSTRIAL DEVELOPMENT COMMISSION; PROVIDING THAT NO OTHER TAXES OR FEES SHALL BE LEVIED ON ADDITIONAL RACETRACK WAGERING OR ON A PARI-MUTUEL FRANCHISEE WITH RESPECT TO ITS ADDITIONAL RACETRACK WAGERING ACTIVITIES; AND THAT THE TAX ON PARI-MUTUEL WAGERING INVOLVING HORSE RACING OR GREYHOUND RACING SHALL BE DETERMINED BY THE GENERAL ASSEMBLY; AUTHORIZING SUCH OTHER WAGERING ACTIVITIES AS MAY BE APPROVED BY THE VOTERS AT THE GENERAL ELECTION OF NOVEMBER 8, 1994 IN A SEPARATE AMENDMENT OR AMENDMENTS TO THE CONSTITUTION; AND PROHIBITING ALL WAGERING ACTIVITIES OTHER THAN THOSE AUTHORIZED BY THIS AMENDMENT; DEFINING CERTAIN TERMS USED IN THE AMENDMENT; AUTHORIZING THE GENERAL ASSEMBLY TO IMPLEMENT THE AMENDMENT WITH RESPECT TO THE STATE LOTTERY, BINGO AND RAFFLES; PROVIDING THAT ALL CONSTITUTIONAL PROVISIONS AND LAWS IN CONFLICT WITH THE AMENDMENT ARE REPEALED TO THE EXTENT OF THE CONFLICT; PROVIDING THAT THE AMENDMENT SHALL BECOME OPERATIVE UPON APPROVAL BY THE VOTERS; AND FOR OTHER PURPOSES.

The Attorney General is required, pursuant to § 7-9-107, to approve and certify the popular name and ballot title of all proposed initiative and referendum acts or constitutional amendments before the petitions are circulated for signature. The law provides that the Attorney General may substitute and certify a more suitable and correct popular name and ballot title, or if the proposed popular name and ballot title are sufficiently misleading, the entire petition may be rejected.

Section 7-9-107 neither requires nor authorizes this office to make legal determinations concerning the merits of the act or amendment or the likelihood that it will accomplish its stated objective. Consequently, this review has been limited to determining whether the proposed popular name and ballot title accurately and impartially summarize the provisions of your proposed amendment.

The purpose of my review and certification is to insure that the popular name and ballot title honestly, intelligently, and fairly set forth the purpose of the proposed amendment. See Arkansas Women's Political Caucus v. Riviere, 282 Ark. 463, 677 S.W.2d 846 (1984). The popular name is primarily a useful legislative device. Pafford v. Hall, 217 Ark. 734, 233 S.W.2d 72 (1950). It need not contain detailed information or include exceptions that might be required of a ballot title, but it must not be misleading or give partisan coloring to the merit of the proposal. Chaney v. Bryant, 259 Ark. 294, 532 S.W.2d 741 (1976); Moore v. Hall, 229 Ark. 411, 316 S.W.2d 207 (1958). The popular name is to be considered together with the ballot title in determining its sufficiency. Id.

A ballot title must include an impartial summary of the proposed amendment that will give the voter a fair understanding of the issues presented. Hoban v. Hall, 229 Ark. 416, 316 S.W.2d 185 (1958); Becker v. Riviere, 270 Ark. 219, 223, 226, 604 S.W.2d 555 (1980). It has been stated that the ballot title must contain any information that would "give the elector 'serious ground for reflection.'" Finn v. McCuen, 303 Ark. 418, 798 S.W.2d 34 (1990), citing Gaines v. McCuen, 296 Ark. 513, 758 S.W.2d 403 (1988). It has been stated that the ballot title must be: 1) intelligible, 2) honest, and 3) impartial. Becker v. McCuen, 303 Ark. 482, 798 S.W.2d 71 (1990), citing Leigh v. Hall, 232 Ark. 558, 339 S.W.2d 104 (1960).

Applying these precepts, it is my conclusion that the following popular name should be substituted for the one you have submitted:

(Popular Name)

AN AMENDMENT TO AUTHORIZE A STATE LOTTERY,
NONPROFIT BINGO, PARI-MUTUEL WAGERING AND
ADDITIONAL GAMES OF CHANCE AT RACETRACK SITES

It is also my opinion that the following ballot title should
be substituted for the one you have submitted:

(Ballot Title)

A PROPOSED AMENDMENT TO THE ARKANSAS
CONSTITUTION AUTHORIZING ARKANSAS TO
ESTABLISH A STATE LOTTERY, TO BE
CONDUCTED BY THE STATE OR BY THE STATE
IN CONJUNCTION WITH LOTTERIES IN OTHER
STATES; CREATING A FIVE-MEMBER STATE
LOTTERY COMMISSION APPOINTED BY THE
GOVERNOR TO ADMINISTER THE LOTTERY;
PRESCRIBING THE QUALIFICATIONS AND TERMS
OF OFFICE OF COMMISSION MEMBERS AND THE
POWERS AND DUTIES OF THE COMMISSION;
AUTHORIZING THE GOVERNOR TO REMOVE
MEMBERS OF THE COMMISSION FOR CAUSE;
REQUIRING THE GOVERNOR TO APPOINT AN
EXECUTIVE DIRECTOR OF THE STATE LOTTERY
TO MANAGE THE OPERATION OF THE LOTTERY
UNDER THE COMMISSION'S SUPERVISION;
REQUIRING THE COMMISSION TO ALLOCATE THE
TOTAL ANNUAL REVENUES FROM SALES OF
LOTTERY TICKETS AS NEAR AS REASONABLY
PRACTICAL AS FOLLOWS: 50% TO PRIZES,
34% TO REVENUES RETURNED TO THE PUBLIC
TO BENEFIT CRIME PREVENTION AND PUBLIC
SCHOOLS THROUGH APPROPRIATIONS BY THE
GENERAL ASSEMBLY, 11% TO THE EXPENSES OF
OPERATING THE STATE LOTTERY, AND 5% TO
COMMISSION ON TICKET SALES; PROHIBITING
THE IMPOSITION OF STATE OR LOCAL TAXES
UPON THE SALE OF LOTTERY TICKETS;
AUTHORIZING NON-PROFIT, TAX-EXEMPT
CHARITABLE, RELIGIOUS AND CIVIC
ORGANIZATIONS WHICH HAVE BEEN LICENSED
BY THE STATE TO CONDUCT BINGO GAMES AND
RAFFLES; PRESCRIBING THE QUALIFICATIONS
OF THE PERSONS AND ORGANIZATIONS
CONDUCTING BINGO GAMES OR RAFFLES;
LIMITING THE ALLOWABLE EXPENSES AND
COMPENSATION ASSOCIATED WITH A BINGO
GAME OR RAFFLE; REQUIRING ALL NET
RECEIPTS OVER AND ABOVE THE ACTUAL COST
OF CONDUCTING A BINGO GAME OR RAFFLE TO

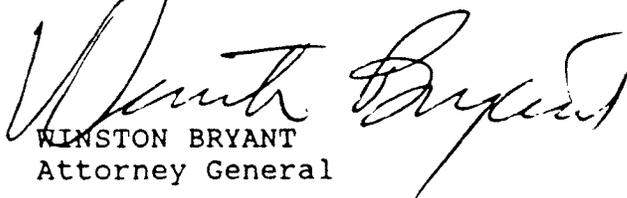
BE USED FOR CHARITABLE, RELIGIOUS OR PHILANTHROPIC PURPOSES; AUTHORIZING A PARI-MUTUEL FRANCHISEE TO CONDUCT PARI-MUTUEL WAGERING, INCLUDING SIMULCASTING AND MERGED-POOL WAGERING, ON HORSES IN GARLAND COUNTY, ARKANSAS, AND A PARI-MUTUEL FRANCHISEE TO CONDUCT PARI-MUTUEL WAGERING, INCLUDING SIMULCASTING AND MERGED-POOL WAGERING, ON GREYHOUNDS IN CRITTENDEN COUNTY, ARKANSAS; PROVIDING THAT HORSE RACING AND GREYHOUND RACING AND PARI-MUTUEL WAGERING THEREON SHALL NOT CONSTITUTE A LOTTERY AND SHALL BE REGULATED BY THE GENERAL ASSEMBLY; AUTHORIZING PARI-MUTUEL FRANCHISEES TO CONDUCT ADDITIONAL WAGERING ON OR ADJACENT TO THE SITES WHERE HORSE RACING IS CONDUCTED IN GARLAND COUNTY, ARKANSAS, AND WHERE GREYHOUND RACING IS CONDUCTED IN CRITTENDEN COUNTY, ARKANSAS; DEFINING THIS "ADDITIONAL RACETRACK WAGERING" AS WAGERING ON GAMES OF CHANCE OR SKILL CONDUCTED BY MECHANICAL, ELECTRICAL, ELECTRONIC OR ELECTROMECHANICAL DEVICES AND TABLE GAMES; PROVIDING THAT THIS ADDITIONAL RACETRACK WAGERING SHALL NOT BE LIMITED TO WHEN RACING IS BEING CONDUCTED AND SHALL NOT CONSTITUTE A LOTTERY; RENAMING THE ARKANSAS RACING COMMISSION THE ARKANSAS RACING AND WAGERING COMMISSION; EXPANDING THE COMMISSION BY TWO MEMBERS TO BE APPOINTED BY THE GOVERNOR AND SETTING THEIR TERMS OF OFFICE; AUTHORIZING THE COMMISSION TO REGULATE THE ADDITIONAL RACETRACK WAGERING; PERMITTING ONLY TYPES OF WAGERING REQUESTED BY THE PARI-MUTUEL FRANCHISEE AND APPROVED BY THE COMMISSION; REQUIRING THE COMMISSION TO ADOPT EMERGENCY REGULATIONS BEFORE JANUARY 1, 1995 SO THE ADDITIONAL RACETRACK WAGERING MAY BEGIN AT THAT TIME; ESTABLISHING A TAX ON NET ADDITIONAL RACETRACK WAGERING REVENUES EQUAL TO 8% TO BE PAID TO THE STATE, 1/2 OF 1% TO BE PAID TO THE COUNTY IN WHICH THE PARI-MUTUEL FRANCHISEE IS OPERATING, AND 1% TO BE PAID TO THE CITY IN WHICH THE PARI-MUTUEL FRANCHISEE IS OPERATING; AUTHORIZING THE GENERAL ASSEMBLY TO AMEND SUCH TAX RATES BY A THREE-FOURTHS VOTE OF EACH HOUSE; DEDICATING 20% OF

THE TAXES PAID TO THE STATE TO THE ARKANSAS DEPARTMENT OF PARKS AND TOURISM AND THE ARKANSAS INDUSTRIAL DEVELOPMENT COMMISSION; PROHIBITING THE LEVY OF OTHER TAXES OR FEES ON ADDITIONAL RACETRACK WAGERING OR ON A PARI-MUTUEL FRANCHISEE WITH RESPECT TO ITS ADDITIONAL RACETRACK WAGERING ACTIVITIES; REQUIRING THE GENERAL ASSEMBLY TO DETERMINE THE TAX ON PARI-MUTUEL WAGERING INVOLVING HORSE RACING OR GREYHOUND RACING; DECLARING THE PROVISIONS OF THE AMENDMENT PERTAINING TO ADDITIONAL RACETRACK WAGERING TO BE SELF-EXECUTING; AUTHORIZING OTHER WAGERING ACTIVITIES APPROVED BY THE VOTERS AT THE GENERAL ELECTION OF NOVEMBER 8, 1994 IN A SEPARATE AMENDMENT OR AMENDMENTS TO THE CONSTITUTION; PROHIBITING ALL WAGERING ACTIVITIES OTHER THAN THOSE AUTHORIZED BY THIS AMENDMENT; DEFINING CERTAIN TERMS USED IN THE AMENDMENT; AUTHORIZING THE GENERAL ASSEMBLY TO IMPLEMENT THE AMENDMENT WITH RESPECT TO THE STATE LOTTERY, BINGO AND RAFFLES; REPEALING ALL CONSTITUTIONAL PROVISIONS AND LAWS TO THE EXTENT THEY CONFLICT WITH THE AMENDMENT; RENDERING THE PROVISIONS OF THE AMENDMENT SEVERABLE; DECLARING THE AMENDMENT OPERATIVE UPON APPROVAL BY THE VOTERS.

Pursuant to A.C.A. § 7-9-108 (1993 Repl.), instructions to canvassers and signers are enclosed herewith.

The foregoing opinion, which I hereby approve, was prepared by Assistant Attorney General Catherine Templeton.

Sincerely,



WINSTON BRYANT
Attorney General

WB:cyh

Enclosure

INSTRUCTIONS TO CANVASSERS AND SIGNERS

1. Amendment No. 7 to the Arkansas Constitution gives to the people of the State of Arkansas the power to propose legislation or constitutional amendments by initiative petition, and to order the referendum against any general act or any item of an appropriation bill, or measure passed by the General Assembly. The petition must be signed by eight percent (8%) of the legal voters in the case of proposed legislation, ten percent (10%) in the case of proposed constitutional amendments, and six percent (6%) in the case of a referendum. The proposed legislation or constitutional amendment must be submitted to the legal voters of the State at a regular election; referendum petitions may be referred to the people at special elections when fifteen percent (15%) of the legal voters petition for such special election. Any measure submitted to the people shall take effect and become a law when approved by a majority of the votes cast upon such measure.

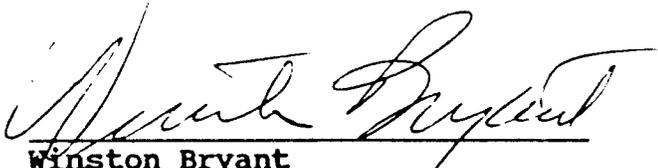
2. Only legal voters may sign. Printed names, dates of birth, residences, and cities or towns of residence must be given as an aid to verification. The petition should contain only the signatures of voters residing in a single county.

3. All signatures must be affixed in ink or indelible pencil by the signers in their own handwriting in the presence of the persons circulating the petition.

4. Do not attach additional sheets to this petition unless such sheets contain the full language of the petition. Place as many names as possible on each petition.

5. TO SIGN ANY NAME OTHER THAN YOUR OWN, TO KNOWINGLY SIGN YOUR NAME MORE THAN ONCE TO ANY PETITION, TO KNOWINGLY SIGN YOUR NAME WHEN YOU ARE NOT LEGALLY ENTITLED TO SIGN IT, TO KNOWINGLY AND FALSELY MISREPRESENT THE PURPOSE AND EFFECT OF THIS PETITION FOR THE PURPOSE OF CAUSING ANYONE TO SIGN IT, OR TO KNOWINGLY MAKE A FALSE STATEMENT ON A PETITION VERIFICATION FORM SHALL CONSTITUTE A CLASS "A" MISDEMEANOR AND SUBJECT THE OFFENDER TO A FINE OF UP TO \$1,000.00 AND IMPRISONMENT FOR UP TO ONE (1) YEAR.

The Attorney General is by law required to certify the sufficiency of the popular name and ballot title of all initiative or referendum petitions. This certification does not necessarily indicate the approval or disapproval of the contents thereof.


Winston Bryant
ATTORNEY GENERAL OF THE STATE
OF ARKANSAS

(Popular Name)

ARKANSAS STATE LOTTERY,
BINGO, PARI-MUTUEL WAGERING AND ADDITIONAL RACETRACK WAGERING
REGULATORY AMENDMENT

(Ballot Title)

A proposed Amendment to the Arkansas Constitution authorizing the State of Arkansas to conduct a State Lottery, including a State Lottery in conjunction with lotteries in other states; creating a five-member Arkansas State Lottery Commission appointed by the Governor to administer the State Lottery; prescribing the qualifications, terms of office and powers and duties of Commission members; providing that the Governor shall appoint an Executive Director of the State Lottery to manage the operation of the State Lottery under the supervision of the Commission; and allocating the total annual revenues from sales of lottery tickets as near as reasonably practical as follows: 50% to prizes, 34% to revenues returned to the public to benefit crime prevention and public schools, 11% to the expenses of operating the State Lottery, and 5% to commissions on ticket sales;

Authorizing non-profit, tax-exempt charitable, religious and civic organizations which have been licensed by the State to conduct Bingo games and Raffles; prescribing the qualifications of the persons and organizations conducting Bingo games or Raffles; limiting the allowable expenses and compensation associated with a Bingo game or Raffle; and providing that all net receipts over and above the actual cost of conducting a Bingo game or Raffle shall be used only for charitable, religious or philanthropic purposes;

Authorizing a Pari-mutuel Franchisee to conduct pari-mutuel wagering, including simulcasting and merged-pool wagering, on horses in Garland County, Arkansas, and a Pari-mutuel Franchisee to conduct pari-mutuel wagering, including simulcasting and merged-pool wagering, on greyhounds in Crittenden County, Arkansas; and providing that horse racing and greyhound racing and pari-mutuel wagering thereon shall not constitute a lottery and shall be regulated by the General Assembly;

Authorizing Pari-mutuel Franchisees to conduct Additional Racetrack Wagering on or adjacent to the sites where horse racing is conducted in Garland County, Arkansas, and where greyhound racing is conducted in Crittenden County, Arkansas; defining "Additional Racetrack Wagering" as wagering on games of chance or skill conducted by mechanical, electrical, electronic or electro-mechanical devices and table games; providing that Additional Racetrack Wagering shall not be limited to the times when racing is

being conducted and shall not constitute a lottery; renaming the Arkansas Racing Commission as the Arkansas Racing and Wagering Commission; expanding the Commission by two additional members to be appointed by the Governor and setting their terms of office; authorizing the Commission to regulate Additional Racetrack Wagering; providing that the Commission shall adopt emergency regulations before January 1, 1995 to ensure that Additional Racetrack Wagering may begin at that time; and providing that the provisions of the Amendment pertaining to Additional Racetrack Wagering shall be self-executing;

Providing that a tax shall be established on net Additional Racetrack Wagering revenues equal to 8% to be paid to the State of Arkansas, 1/2 of 1% to be paid to the county in which the Pari-mutuel Franchisee is operating, and 1% to be paid to the city in which the Pari-mutuel Franchisee is operating; authorizing the General Assembly to amend such tax rates by a three-fourths vote of each House; dedicating 20% of such taxes paid to the State to the Arkansas Department of Parks and Tourism and the Arkansas Industrial Development Commission; providing that no other taxes or fees shall be levied on Additional Racetrack Wagering or on a Pari-mutuel Franchisee with respect to its Additional Racetrack Wagering activities; and that the tax on pari-mutuel wagering involving horse racing or greyhound racing shall be determined by the General Assembly;

Authorizing such other wagering activities as may be approved by the voters at the general election of November 8, 1994 in a separate amendment or amendments to the Constitution; and prohibiting all wagering activities other than those authorized by this Amendment;

Defining certain terms used in the Amendment; authorizing the General Assembly to implement the Amendment with respect to the State Lottery, Bingo and Raffles; providing that all constitutional provisions and laws in conflict with the Amendment are repealed to the extent of the conflict; providing that the Amendment shall become operative upon approval by the voters; and for other purposes.

1 ARKANSAS STATE LOTTERY,
2 BINGO, PARI-MUTUEL WAGERING AND ADDITIONAL RACETRACK WAGERING
3 REGULATORY AMENDMENT

4 PREAMBLE.

5 The people of Arkansas hereby declare that it is their purpose
6 and intent in enacting this Amendment to:

7 (a) Create a State Lottery Commission to regulate a state-run
8 lottery and to generate additional funds for crime prevention and
9 public schools. The Commission will ensure integrity, honesty and
10 fairness in the operation of the lottery.

11 (b) Strictly regulate authorized wagering and prohibit
12 wagering not authorized by this Amendment or approved by the
13 voters.

14 (c) Allow Arkansas churches, veterans' groups, civic groups
15 and other non-profit, tax-exempt organizations to raise funds for
16 charitable purposes through bingo games and raffles, which they
17 cannot do under current law.

18 (d) Allow racetracks in Arkansas that already conduct pari-
19 mutuel wagering to offer additional forms of wagering. This will
20 enable Arkansas racetracks, which have proven their skill and
21 integrity in conducting wagering operations, to protect the jobs
22 and tax revenues Arkansas racetracks already create, and create
23 additional jobs and tax revenues.

24 (e) Stop the flow of Arkansas dollars to other states'
25 treasuries and provide more tax revenue for Arkansas.

26 (f) Generate new revenue for crime prevention, which funds
27 shall be used for, but not be limited to, hiring additional
28 municipal police, county deputy sheriffs and Arkansas State
29 Troopers.

30 (g) Generate new revenue for public schools, which funds
31 shall be used for, but not be limited to:

- 32 •Classroom computers;
- 33 •Advanced learning technologies;
- 34 •Books and supplies; and
- 35 •Laboratories.

36 (h) Generate new revenue for the Arkansas Department of Parks
37 and Tourism, which funds shall be used to promote tourism and job
38 creation in Arkansas.

39 (i) Generate new revenue for the Arkansas Industrial
40 Development Commission, which funds shall be used to promote
41 economic development and job creation in Arkansas.

42 BE IT ENACTED BY THE PEOPLE OF THE STATE OF ARKANSAS:

43 **Section 1. TITLE.**

44 This Amendment shall be referred to and may be cited as the
45 "Arkansas State Lottery, Bingo, Pari-Mutuel Wagering and Additional
46 Racetrack Wagering Regulatory Amendment."

47 **Section 2. ACTIVITIES AUTHORIZED.**

48 The following activities are hereby authorized and shall not
49 be covered by the prohibitions of Section 3 of this Amendment:

50 (a) The Arkansas State Lottery conducted by the State of
51 Arkansas in accordance with the provisions of this Amendment.

52 (b) Bingo games, when Conducted in an Authorized Manner by an
53 Authorized Organization, and Raffles, when Conducted in an
54 Authorized Manner by an Authorized Organization.

55 (c) Pari-mutuel wagering, including simulcasting and merged-
56 pool wagering, on horses conducted by a Pari-mutuel Franchisee
57 authorized to conduct horse racing in Garland County, Arkansas, and
58 on greyhounds conducted by a Pari-mutuel Franchisee authorized to
59 conduct greyhound racing in Crittenden County, Arkansas.

60 (d) Additional Racetrack Wagering in Garland County,
61 Arkansas, conducted by a Pari-mutuel Franchisee authorized to
62 conduct horse racing in Garland County, Arkansas, and Additional
63 Racetrack Wagering in Crittenden County, Arkansas, conducted by a
64 Pari-mutuel Franchisee authorized to conduct greyhound racing in
65 Crittenden County, Arkansas.

66 (e) Such other wagering activities as may be authorized by an
67 amendment or amendments to the Arkansas Constitution and approved
68 by the voters of this State at the General Election of November 8,
69 1994.

70 **Section 3. ACTIVITIES PROHIBITED.**

71 All wagering activities, including but not limited to,
72 lotteries, casinos, gambling houses, gambling operations and other
73 gambling and gaming activities, other than those activities
74 authorized in Section 2 of this Amendment, are prohibited and shall
75 not be authorized by this State.

76 Section 4. ARKANSAS STATE LOTTERY.

77 (a) Definitions.

78 (1) "Arkansas State Lottery" shall mean the state-run
79 lottery authorized and established by this Amendment, conducted by
80 the State of Arkansas, or conducted by the State of Arkansas in
81 conjunction with lotteries in other states, and involving the sale
82 of Arkansas State Lottery tickets through Arkansas State Lottery
83 Ticket Retailers authorized to conduct such sales.

84 (2) "Executive Director" shall mean the Director of the
85 Arkansas State Lottery appointed as the chief administrator of the
86 Arkansas State Lottery.

87 (3) "Arkansas State Lottery Commission" shall mean the
88 five-member body appointed to oversee the Arkansas State Lottery
89 and to ensure the integrity, security, honesty and fairness of the
90 operation and administration of the Arkansas State Lottery.

91 (4) "Arkansas State Lottery Game" shall mean any
92 authorized procedure whereby prizes are distributed among persons
93 who have paid for Arkansas State Lottery tickets which provide the
94 chance to win such prizes.

95 (5) "Arkansas State Lottery Ticket Retailer" shall mean
96 a business which the Arkansas State Lottery Commission has
97 authorized to sell Arkansas State Lottery tickets to the public.

98 (6) "Arkansas State Lottery Public Benefit Revenues"
99 shall mean the total amount of Arkansas State Lottery annual
100 revenues less prizes, expenses and commissions.

101 **(b) Arkansas State Lottery Commission.**

102 (1) There is hereby created an Arkansas State Lottery
103 Commission which shall be vested with the powers and duties
104 hereinafter prescribed, and such supplemental powers as may be
105 established by law, for the administration of the Arkansas State
106 Lottery. In all decisions, the Arkansas State Lottery Commission
107 shall act to promote and ensure integrity, security, honesty and
108 fairness in the operation and administration of the Arkansas State
109 Lottery.

110 (2) The Arkansas State Lottery Commission shall initiate
111 operation of the Arkansas State Lottery on a continuous basis at
112 the earliest feasible and practical time.

113 **(c) Qualifications, Appointment and Terms of Office of the**
114 **Members of the Arkansas State Lottery Commission; Removal.**

115 (1) Within ten days after the convening of the next
116 regular session of the Arkansas General Assembly, the Governor
117 shall appoint five persons to constitute the Arkansas State Lottery
118 Commission. Those initially appointed shall serve for terms of
119 one, two, three, four and five years, respectively, and thereafter
120 those appointed shall serve for a term of five years.

121 (2) Each Congressional District must be represented on
122 the Arkansas State Lottery Commission.

123 (3) At least one of the members shall have a minimum of
124 five years experience in law enforcement and at least one of the
125 members shall be a certified public accountant.

126 (4) The Governor may remove a member of the Arkansas

127 State Lottery Commission for cause.

128 **(d) Arkansas State Lottery Commission Vacancies.**

129 Vacancies on the Arkansas State Lottery Commission due to
130 resignation, death or removal shall be filled within thirty days by
131 appointment of the Governor for the unexpired term.

132 **(e) Appointment of Executive Director; Removal;
133 Responsibilities.**

134 (1) The Governor shall appoint the Executive Director of
135 the Arkansas State Lottery. The Governor may remove the Executive
136 Director for cause.

137 (2) The Executive Director shall manage the operation of
138 the Arkansas State Lottery under the supervision of the Arkansas
139 State Lottery Commission. The Executive Director shall be
140 qualified by training and experience to direct the operations of a
141 state-operated lottery.

142 **(f) Powers and Duties of the Arkansas State Lottery
143 Commission.**

144 The Arkansas State Lottery Commission shall:

145 (1) Prescribe the powers and duties of the Executive
146 Director.

147 (2) Prescribe auditing and accounting procedures for the
148 open and public reporting of financial transactions of the Arkansas
149 State Lottery Commission.

150 (3) Prescribe the methods and procedures for
151 investigation and licensing of authorized vendors, suppliers and
152 Arkansas State Lottery Ticket Retailers.

153 (4) Promulgate rules and regulations specifying the
154 types of Arkansas State Lottery Games to be conducted by the
155 Arkansas State Lottery.

156 (5) Hire such professional, clerical, technical,
157 administrative, and other personnel as may be necessary for the
158 operation of the Arkansas State Lottery Commission and the
159 administration of the Arkansas State Lottery, provided, that the
160 salaries and expenditures of all Arkansas State Lottery Commission
161 personnel shall be submitted to the Arkansas General Assembly and
162 approved in the biennial appropriation as covered by Article 16,
163 Section 4 of the Constitution.

164 **(g) Arkansas State Lottery Tickets.**

165 (1) Each Arkansas State Lottery ticket shall provide the
166 purchaser with a chance to win cash awards or other valuable
167 considerations. Only lottery tickets that are part of the Arkansas
168 State Lottery shall be sold in Arkansas, and no Arkansas State
169 Lottery tickets may be sold or dispensed in any way through any
170 purchaser-operated system, terminal, vending machine, telephone
171 system or any machine or system that involves operation by the
172 purchaser in any manner.

173 (2) No Arkansas State Lottery tickets shall be sold to
174 minors, and no Arkansas State Lottery tickets may be purchased by
175 credit.

176 **(h) Allocation of Revenues; Cash Funds; Deposit of Funds;**
177 **Audit of Accounts.**

178 (1) As nearly as reasonably practical, revenues from the

179 sales of Arkansas State Lottery tickets shall be allocated by the
180 Arkansas State Lottery Commission as follows:

181 (A) Not less than fifty percent (50%) of total
182 annual revenues from the sales of Arkansas State Lottery tickets
183 shall be distributed in the form of prizes. Such allocated
184 revenues shall be considered cash funds of the Arkansas State
185 Lottery Commission and shall not be required to be deposited in the
186 State Treasury.

187 (B) Not less than thirty-four percent (34%) of
188 total annual revenues from the sales of Arkansas State Lottery
189 tickets shall become Arkansas State Lottery Public Benefit Revenues
190 and shall be returned to the public to benefit crime prevention and
191 public schools. Such allocated revenues shall be deposited in the
192 State Treasury in the accounts, and shall be appropriated by the
193 Arkansas General Assembly, as provided in this Amendment.

194 (C) Not more than eleven percent (11%) of total
195 annual revenues from the sales of Arkansas State Lottery tickets
196 shall be allocated for payments of salaries and other expenses of
197 the operation of the Arkansas State Lottery. Such allocated
198 revenues, together with such other general or special revenues as
199 the Arkansas General Assembly may allocate to the Arkansas State
200 Lottery Commission, shall be deposited in the State Treasury in the
201 Arkansas State Lottery Commission Fund, which shall be created by
202 the Arkansas General Assembly. To the extent that expenses of the
203 Arkansas State Lottery are less than eleven percent (11%) of total
204 annual revenues, any surplus funds shall become Arkansas State

205 Lottery Public Benefit Revenues.

206 (D) Not less than five percent (5%) of total annual
207 revenues from the sales of Arkansas State Lottery tickets shall be
208 paid to Arkansas State Lottery Ticket Retailers as a commission on
209 each Arkansas State Lottery ticket sold. Such allocated revenues
210 shall be considered cash funds of the Arkansas State Lottery
211 Commission and shall not be required to be deposited in the State
212 Treasury.

213 (E) Arkansas State Lottery Public Benefit Revenues
214 shall not be used as substitute funds, but rather shall supplement
215 the total amount of money allocated for crime prevention and public
216 schools in Arkansas.

217 (2) The books, accounts and financial affairs of the
218 Arkansas State Lottery Commission shall be audited by the State
219 Auditor at least once per year.

220 (i) Allocation of Arkansas State Lottery Public Benefit
221 Revenues.

222 (1) Fifty percent (50%) of the Arkansas State Lottery
223 Public Benefit Revenues shall be deposited into the Crime
224 Prevention Trust Fund, which shall be created by the Arkansas
225 General Assembly. Such funds shall be expended for law enforcement
226 and crime prevention purposes, as follows:

227 (A) Eighty percent (80%) of the Crime Prevention
228 Trust Fund shall be appropriated by the Arkansas General Assembly
229 to counties in Arkansas on a per-capita basis (counting only
230 residents within unincorporated areas), and to cities and

231 incorporated towns in Arkansas on a per-capita basis (counting only
232 residents within incorporated areas), provided that the first
233 priority for the use of these funds shall be the hiring, training
234 and equipping of additional county and municipal law enforcement
235 personnel.

236 (B) Twenty percent (20%) of the Crime Prevention
237 Trust Fund shall be appropriated by the Arkansas General Assembly
238 to the Department of Arkansas State Police, the State Crime
239 Laboratory and the Commission on Law Enforcement Standards and
240 Training (or any successor to any of the foregoing) for the hiring,
241 training and equipping of personnel, including Arkansas State
242 Police, and for the provision of equipment, supplies and support
243 services to state and local law enforcement agencies.

244 (2) Fifty percent (50%) of the Arkansas State Lottery
245 Public Benefit Revenues shall be deposited in the Educational
246 Facilities and Equipment Trust Fund, which shall be created by the
247 Arkansas General Assembly. Such funds shall be distributed to
248 local school districts on the basis of average daily attendance and
249 shall be expended for educational facilities and equipment,
250 including but not limited to, classroom computers and other
251 advanced learning technologies, books and supplies, and
252 laboratories.

253 (j) Taxes.

254 No state or local taxes shall be imposed upon the sale of
255 Arkansas State Lottery tickets.

256 (k) **Action by Arkansas General Assembly.**

257 The Arkansas General Assembly shall at the next regular
258 session convening in January, 1995, enact such legislation and make
259 such appropriations as shall be necessary to organize and regulate
260 the conduct of the Arkansas State Lottery and otherwise implement
261 the provisions of this Amendment pertaining to the Arkansas State
262 Lottery.

263 **Section 5. BINGO AND RAFFLES.**

264 (a) "Bingo" shall mean a single game of the activity commonly
265 known as "Bingo" in which the participants are physically present
266 at the location where the game is being conducted and pay a sum of
267 money for the use of one or more Bingo cards. Only Bingo games
268 where the winner receives a pre-announced and fixed dollar prize
269 and in which the winner is determined by the matching of letters
270 and numbers on a Bingo card or facsimile thereof, imprinted with at
271 least twenty-four numbers, with letters and numbers appearing on
272 objects randomly drawn and announced by a caller, in
273 contemporaneous competition among all players in the game, shall be
274 considered Bingo.

275 (b) "Raffle" shall mean a game in which a participant buys a
276 ticket for a chance at a prize with the winner determined by a
277 random drawing to take place at a location and date printed upon
278 the ticket.

279 (c) "Authorized Organization" shall mean any non-profit, tax-
280 exempt charitable, religious or other civic organization,
281 including, but not limited to, educational, veterans', fraternal,

282 service, medical, volunteer rescue service, volunteer fire
283 fighters', volunteer police or senior citizens' organization, which
284 has been issued a current license by the State of Arkansas to
285 conduct Bingo games or Raffles as provided for by law. An
286 Authorized Organization is tax-exempt if it is exempt from federal
287 income taxation under Section 501(a) of the Internal Revenue Code,
288 as amended, and is either (i) described in Section 501(c)(3), (10)
289 or (19) or Section 528 of the Internal Revenue Code, as amended, or
290 (ii) authorized by the Arkansas General Assembly to conduct Bingo
291 games or Raffles. To qualify as an Authorized Organization under
292 this Section, an organization shall have been in continuing
293 existence, as such, in this State for a period of not less than
294 five years immediately prior to making application for a Bingo or
295 Raffle license.

296 (d) "Conducted in an Authorized Manner by an Authorized
297 Organization" means Bingo games or Raffles conducted in accordance
298 with the following requirements:

299 (1) All net receipts over and above the actual cost of
300 conducting a Bingo game or Raffle shall be used only for
301 charitable, religious or philanthropic purposes, and no receipts
302 shall be used to compensate in any manner any person who works for
303 or is in any way affiliated with the Authorized Organization
304 conducting such games.

305 (2) No person shall participate in the management,
306 conduct or operation of any Bingo game or Raffle unless that
307 person:

308 (A) Has been a bona fide member of the Authorized
309 Organization for the twenty-four months immediately preceding such
310 participation, and volunteers without compensation of any sort the
311 time and service necessary to conduct the Bingo game or Raffle, and
312 is not a paid staff person or employee of the Authorized
313 Organization;

314 (B) Is not and has never been a professional
315 gambler or professional gambling promoter;

316 (C) Has never purchased a tax stamp for wagering or
317 gambling activity;

318 (D) Has never been convicted of any felony;

319 (E) Has never been convicted of or pleaded nolo
320 contendere to any illegal gambling activity; and

321 (F) Is of good moral character.

322 (3) Any person, any officer or director of any firm or
323 corporation, and any partner of any partnership renting or leasing
324 to an Authorized Organization any equipment or premises for use in
325 a Bingo game or Raffle must meet all the qualifications of the
326 preceding paragraph (2) except (A).

327 (4) No good or service utilized in the conducting of
328 Bingo games or Raffles, including, but not limited to, the cost for
329 the use of the Bingo facility, the cost for the use of the Bingo
330 equipment, the cost for Bingo supplies, the cost for security for
331 the Bingo facility, or any other cost of any kind associated in any
332 way with a good or service used in connection with the Bingo game
333 or Raffle, shall be purchased or obtained for compensation of any

334 sort exceeding the fair market value of such good or service, nor
335 shall the quantity of goods or services so purchased exceed the
336 amounts required to reasonably conduct the Bingo game or Raffle,
337 and in no case shall any payment for any good or service be based
338 upon a percentage of the gross receipts or proceeds of the Bingo
339 game or Raffle.

340 (5) No person, firm, partnership or corporation shall
341 receive any remuneration or profit for participating in the
342 management, conduct or operation of a Bingo game or Raffle.

343 (e) The Arkansas General Assembly shall at the next regular
344 session convening in January, 1995, enact such legislation as shall
345 be necessary for the regulation of Bingo and Raffles and otherwise
346 implement the provisions of this Amendment pertaining to Bingo and
347 Raffles.

348 **Section 6. HORSE AND GREYHOUND RACING AND PARI-MUTUEL WAGERING**
349 **THEREON.**

350 Horse racing conducted by a Pari-mutuel Franchisee in Garland
351 County, Arkansas, and greyhound racing conducted by a Pari-mutuel
352 Franchisee in Crittenden County, Arkansas, and pari-mutuel wagering
353 thereon, shall be lawful, shall not constitute a "lottery" or
354 "lotteries" for any purpose, and shall be regulated by the Arkansas
355 General Assembly. Existing laws heretofore enacted by the Arkansas
356 General Assembly dealing with horse racing and greyhound racing and
357 pari-mutuel wagering on horses and greyhounds shall continue in
358 effect until amended or changed by the Arkansas General Assembly,
359 except to the extent of any conflict with a provision of this

360 Amendment.

361 **Section 7. ADDITIONAL RACETRACK WAGERING.**

362 **(a) Definitions.**

363 (1) "Pari-mutuel Franchisee" shall mean an entity
364 holding a franchise under and pursuant to laws enacted by the
365 Arkansas General Assembly and licensed and regulated by the
366 Arkansas Racing Commission to conduct pari-mutuel wagering on horse
367 racing in Garland County, Arkansas, which entity offers a program
368 of live racing during each calendar year, and an entity holding a
369 franchise under and pursuant to laws enacted by the Arkansas
370 General Assembly and licensed and regulated by the Arkansas Racing
371 Commission to conduct pari-mutuel wagering on greyhound racing in
372 Crittenden County, Arkansas, which entity offers a program of live
373 racing during each calendar year.

374 (2) "Additional Racetrack Wagering" shall mean wagering
375 on games of chance or skill conducted by mechanical, electrical,
376 electronic or electromechanical devices and table games.

377 (3) "Net Additional Racetrack Wagering Revenues" shall
378 mean the gross revenues derived by a Pari-mutuel Franchisee from
379 Additional Racetrack Wagering less amounts paid out to winners,
380 without deduction of any expenses attributable to the Pari-mutuel
381 Franchisee's operations.

382 (4) Additional Racetrack Wagering conducted by a Pari-
383 mutuel Franchisee as authorized by this Amendment shall not
384 constitute a "lottery" or "lotteries" for any purpose.

385 **(b) Arkansas Racing and Wagering Commission.**

386 The Arkansas Racing Commission is hereby renamed and
387 shall be known as the Arkansas Racing and Wagering Commission.

388 **(c) Appointment and Terms of Office of Additional Members of**
389 **the Arkansas Racing and Wagering Commission; Powers and Duties.**

390 (1) The Arkansas Racing and Wagering Commission is
391 hereby expanded by two members to be appointed at large by the
392 Governor. The terms of the new members shall be for five years.

393 (2) In addition to the powers now authorized, the
394 Arkansas Racing and Wagering Commission shall be vested with all
395 the powers necessary to regulate Additional Racetrack Wagering as
396 authorized by this Amendment, including the power to:

397 (A) Promulgate rules and regulations ensuring
398 integrity, security, honesty and fairness in all aspects of
399 Additional Racetrack Wagering.

400 (B) Prescribe auditing and accounting procedures
401 for open and public reporting of Net Additional Racetrack Wagering
402 Revenues.

403 (C) Prescribe methods and procedures for the
404 investigation and licensing of authorized vendors and suppliers of
405 Additional Racetrack Wagering equipment and systems.

406 (D) Hire such additional professional, clerical,
407 technical, administrative, and other personnel as may be necessary
408 for the administration and regulation of Additional Racetrack
409 Wagering.

410 **(d) Types of Additional Racetrack Wagering.**

411 (1) Only those types of Additional Racetrack Wagering
412 that are requested by the Pari-mutuel Franchisee and approved by
413 the Arkansas Racing and Wagering Commission may be conducted.

414 (2) No minors shall be allowed to engage in Additional
415 Racetrack Wagering.

416 **(e) Location and Operation of Additional Racetrack Wagering.**

417 Additional Racetrack Wagering may only be conducted on or
418 adjacent to the site where the Pari-mutuel Franchisee conducts
419 horse racing in Garland County, Arkansas, and on or adjacent to the
420 site where the Pari-mutuel Franchisee conducts greyhound racing in
421 Crittenden County, Arkansas, and shall not be limited to when pari-
422 mutuel wagering is being conducted.

423 **(f) Implementation of Rules and Regulations for Additional
424 Racetrack Wagering.**

425 Prior to January 1, 1995, the Arkansas Racing and
426 Wagering Commission shall adopt emergency rules and regulations for
427 Additional Racetrack Wagering to ensure that Additional Racetrack
428 Wagering may begin on a continuous basis at that time.

429 **(g) Taxes.**

430 (1) The tax on Additional Racetrack Wagering shall be
431 established as follows:

432 (A) Eight percent (8%), or such rate as may be
433 subsequently established by legislation adopted by the Arkansas
434 General Assembly by a vote of three-fourths (3/4) of the membership
435 of each House, of all Net Additional Racetrack Wagering Revenues

436 shall be deposited in the General Fund to fund public programs for
437 the citizens of Arkansas; provided, however,

438 (i) ten percent (10%) of such taxes so
439 deposited in the General Fund shall be appropriated by the Arkansas
440 General Assembly to the Arkansas Department of Parks and Tourism,
441 or its successor, to be used to promote tourism and job creation in
442 Arkansas, other than in connection with Additional Racetrack
443 Wagering, and such amounts shall not be used as substitute funds,
444 but rather shall supplement the total amount of funds appropriated
445 for such purposes; and

446 (ii) ten percent (10%) of such taxes so
447 deposited in the General Fund shall be appropriated by the Arkansas
448 General Assembly to the Arkansas Industrial Development Commission,
449 or its successor, to promote economic development and job creation
450 in Arkansas, and such amounts shall not be used as substitute
451 funds, but rather shall supplement the total amount of funds
452 appropriated for such purposes.

453 (B) One-half of one percent (0.5%), or such rate as
454 may be subsequently established by legislation adopted by the
455 Arkansas General Assembly by a vote of three-fourths (3/4) of the
456 membership of each House, of all Net Additional Racetrack Wagering
457 Revenues shall be paid to the county in which the Pari-mutuel
458 Franchisee is operating.

459 (C) One percent (1%), or such rate as may be
460 subsequently established by legislation adopted by the Arkansas
461 General Assembly by a vote of three-fourths (3/4) of the membership

462 of each House, of all Net Additional Racetrack Wagering Revenues
463 shall be paid to the city in which the Pari-mutuel Franchisee is
464 operating.

465 (D) Except as provided in Section 7(g) of this
466 Amendment, there shall be no taxes, fees or assessments of whatever
467 nature levied by the State or any county, city, incorporated town
468 or any other political subdivision on Additional Racetrack
469 Wagering, the receipts or revenues associated therewith, or a Pari-
470 mutuel Franchisee with respect to its Additional Racetrack Wagering
471 activities; provided, however, the foregoing provisions of this
472 subsection 7(g)(D) shall not apply to those taxes, fees or
473 assessments which are also lawfully levied and collected by the
474 State or any county, city, incorporated town or any other political
475 subdivision on taxpayers generally which are not Pari-mutuel
476 Franchisees, except that in no event shall any receipts or revenues
477 associated with Additional Racetrack Wagering be subject to any
478 gross receipts, sales, excise or other similar tax, since the tax
479 imposed pursuant to Section 7(g) of this Amendment is in lieu of
480 any such tax.

481 (2) The tax on pari-mutuel wagering involving horse or
482 greyhound racing shall be determined by the Arkansas General
483 Assembly.

484 (h) Provisions Self-Executing.

485 The provisions of this Amendment pertaining to Additional
486 Racetrack Wagering shall be self-executing so that Additional
487 Racetrack Wagering may be conducted by the Pari-mutuel Franchisees

488 on and after the date of adoption of regulations by the Arkansas
489 Racing and Wagering Commission pursuant to the provisions of
490 Section 7(f) of this Amendment.

491 **Section 8. CONFLICT.**

492 All existing constitutional provisions, laws and parts of laws
493 in conflict with this Amendment are hereby repealed to the extent
494 of such conflict.

495 **Section 9. SEVERABILITY.**

496 If any provision of this Amendment or the application thereof
497 to any person or circumstance is held invalid, such invalidity
498 shall not affect other provisions or applications of this Amendment
499 which can be given effect without the invalid provision or
500 application, and to this end the provisions of this Amendment are
501 declared to be severable.

502 **Section 10. EFFECTIVE DATE.**

503 This Amendment shall take effect and become law on the date
504 approved by a majority of the votes cast thereon and shall become
505 operative on such date.