

DEPARTMENT OF FINANCE AND ADMINISTRATION - DFA - REGULATORY DIVISION

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2022

None

Employment Summary

	Male	Female	Total	%
White Employees	3	4	7	58 %
Black Employees	3	2	5	42 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			5	42 %
Total Employees			12	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Electronic Games of Skill Regulations	23-113-201	N	N	100	The regulations must be kept up to date and widely distributed in order to protect the State, the franchises and the gaming public from the actions of illegal/illegal actions of those playing games of skill. It also ensures operating games according to the regulations & standards prescribed by law.	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Instant Racing Rules	23-113-603; 23-111-101; 23-110-101	N	N	100	The rules and regulations, when amended, must be filed as prescribed by the Arkansas Administrative Procedures Act. The franchises operating the instant racing games must have up to date regulations available for their employees at all times to insure compliance with Commission regulations.	0	0.00
Medication rules and Penalties for Greyhounds	23-111-204	N	N	300	The current publication of medication rules protects the health of the animals competing in the races and the participants who wager on the races. It also protects the industry by preventing the legitimate owners from being cheated by those who would drug animals.	0	0.00
Medication rules and Penalties for Horses	23-110-202	N	N	300	The current publication of medication rules protects the health of the animals competing in the races and the participants who wager on the races. It also protects the industry by preventing the legitimate owners from being cheated by those who would drug animals.	0	0.00
Pari-mutuel Wagering Rules for Greyhound Racing	23-111-101 - 517	N	N	100	The rules and regulations, when amended, must be filed as prescribed by the Arkansas Administrative Procedures Act. In addition, the franchises operating simulcast wagering must have up to date regulations available for their employees at all times to insure compliance with Commission regulations.	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Pari-mutuel Wagering Rules for Horse Racing	23-110-101 - 415	N	N	100	The rules and regulations, when amended, must be filed as prescribed by the Arkansas Administrative Procedures Act. In addition, the franchises operating simulcast wagering must have up to date regulations available for their employees at all times to insure compliance with Commission regulations.	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2021-2022		2022-2023		2022-2023		2023-2024				2024-2025			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
146 Division of Racing - Operations	1,819,806	14	1,794,800	15	1,924,063	15	1,934,373	14	1,934,373	14	1,943,885	14	1,943,885	14
7WJ License Applications	522,906	0	401,110	0	320,991	0	980,409	0	980,409	0	980,409	0	980,409	0
AP7 Compulsive Gambling Disorder Programs	0	0	200,000	0	0	0	200,000	0	200,000	0	200,000	0	200,000	0
AS9 Compulsive Gambling Addictions	0	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0
X49 Racing - Casino Holding	14,564,793	0	25,000,000	0	25,000,000	0	25,000,000	0	25,000,000	0	25,000,000	0	25,000,000	0
Total	16,907,505	14	27,595,910	15	27,445,054	15	28,314,782	14	28,314,782	14	28,324,294	14	28,324,294	14

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	395,777	2.2	746,007	2.7			294,397	1.1	294,397	1.1	0	0.0
General Revenue	4000010	1,813,476	10.3	1,994,800	7.2			2,012,308	7.2	2,012,308	7.2	2,012,923	7.3
Cash Fund	4000045	15,236,786	86.3	25,149,500	90.2			25,654,500	91.8	25,654,500	91.8	25,654,500	92.7
Rainy Day Fund	4000267	200,000	1.1	0	0.0			0	0.0	0	0.0	0	0.0
Interest	4000300	943	0.0	0	0.0			0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	6,400	0.0	0	0.0			0	0.0	0	0.0	0	0.0
Other	4000370	130	0.0	0	0.0			0	0.0	0	0.0	0	0.0
Total Funds		17,653,512	100.0	27,890,307	100.0			27,961,205	100.0	27,961,205	100.0	27,667,423	100.0
Excess Appropriation/(Funding)		(746,007)		(294,397)				353,577		353,577		656,871	
Grand Total		16,907,505		27,595,910				28,314,782		28,314,782		28,324,294	

FY23 Budget Amount in FC 7WJ (Racing Commission - Cash Operations) exceeds authorized amount due to an estimated transfer from the Personal Services Extra Help holding account.

FY23 Budget Amount in FC AP7 (Compulsive Gambling) exceeds authorized amount due to a transfer from the Cash Fund holding account.

Variance in Fund Balance is due to unfunded appropriation.

Analysis of Budget Request

Appropriation: 146 - Division of Racing - Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Racing Commission is composed of seven members each appointed by the Governor for terms of five years. Each congressional district is represented and members of the commission shall have been a resident of Arkansas for not less than ten years and shall be a qualified voter at the time of his or her appointment.

The Commission has sole jurisdiction over thoroughbred horse and greyhound dog racing. The Commission is authorized to grant franchises, approve racing dates, issue permits and licenses, hold hearings and take other action as necessary to effectively supervise, regulate and control the sport of racing in the State of Arkansas. Act 1151 of 2005, otherwise known as "Electronic Games of Skill" legislation, provided for expanded electronic gaming at the race tracks in the State of Arkansas.

This appropriation is funded from general revenue.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting appropriation in the amount of \$1,934,373 in FY24 and \$1,943,885 in FY25 and general revenue funding in the amount of \$1,812,308 in FY24 and \$1,812,923 in FY25.

The Agency Request includes the following changes:

- Discontinue one (1) position with a decrease of (\$32,405) in Regular Salaries for both years of the biennium and a decrease in Personal Services Matching of (\$14,392) in FY24 and (\$15,052) in FY25, as required by Ark. Code Ann. § 21-5-226.
- Various personnel changes which include reclassifications with no change in appropriation.
- Reallocation of appropriation within Operating Expenses to better align with estimated expenditures.

The Executive Recommendation provides for the Agency Request with the exception of various personnel changes. These changes will be placed on hold for the new administration to review and recommend.

Appropriation Summary

Appropriation: 146 - Division of Racing - Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation		Agency Request and Executive Recommendation	
	2021-2022 Actual	2022-2023 Budget	2022-2023 Authorized	2023-2024 Agency	2023-2024 Executive	2024-2025 Agency	2024-2025 Executive
Regular Salaries 5010000	704,051	851,409	773,781	798,483	798,483	798,983	798,983
#Positions	14	15	15	14	14	14	14
Extra Help 5010001	459,696	247,774	460,000	460,000	460,000	460,000	460,000
#Extra Help	21	22	30	22	22	22	22
Personal Services Matching 5010003	331,615	380,910	331,868	317,476	317,476	326,488	326,488
Overtime 5010006	2,915	10,000	10,000	10,000	10,000	10,000	10,000
Operating Expenses 5020002	272,844	247,207	290,914	290,914	290,914	290,914	290,914
Conference & Travel Expenses 5050009	25	7,500	7,500	7,500	7,500	7,500	7,500
Professional Fees 5060010	48,660	50,000	50,000	50,000	50,000	50,000	50,000
Data Processing 5090012	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0
Total	1,819,806	1,794,800	1,924,063	1,934,373	1,934,373	1,943,885	1,943,885
Funding Sources							
General Revenue 4000010	1,813,476	1,794,800		1,812,308	1,812,308	1,812,923	1,812,923
Inter-agency Fund Transfer 4000316	6,200	0		0	0	0	0
Other 4000370	130	0		0	0	0	0
Total Funding	1,819,806	1,794,800		1,812,308	1,812,308	1,812,923	1,812,923
Excess Appropriation/(Funding)	0	0		122,065	122,065	130,962	130,962
Grand Total	1,819,806	1,794,800		1,934,373	1,934,373	1,943,885	1,943,885

FY23 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2021-2023 Biennium.

Analysis of Budget Request

Appropriation: 7WJ - License Applications

Funding Sources: NRC - DFA Racing - Cash in Treasury

Act 1151 of 2005, otherwise known as "Electronic Games of Skill" legislation, provided for expanded gaming at the race tracks in the State of Arkansas. This cash funded appropriation provides for the application process and background investigations for issuing licenses to individuals and industries in the Electronic Games of Skill areas at Oaklawn & Southland Parks.

Applicants, by regulation, are required to pay a license fee and the costs of the background investigations. License fees are deposited to a cash fund. The costs of the background investigations are retained by the Department of Finance and Administration - Division of Racing to pay for the actual costs of the investigations, postage and licensing material and unexpected refunds.

The Racing Commission Cash Operations appropriation provides for the application process and background investigations for issuing licenses to individuals and industries in the Electronic Games of Skill areas at Oaklawn & Southland Parks.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting appropriation in the amount of \$980,409 in each year of the biennium.

The Agency Request includes the following changes in each year of the biennium:

- Increases of \$135,000 in Extra Help, \$105,418 in Personal Services Matching, \$369,000 in Operating Expenses, and \$50,000 in Professional fees to support Racing Commission operations.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 7WJ - License Applications
Funding Sources: NRC - DFA Racing - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Extra Help	5010001	133,980	148,640	65,000	200,000	200,000	200,000	200,000
#Extra Help		6	10	1	10	10	10	10
Personal Services Matching	5010003	75,149	11,470	14,991	120,409	120,409	120,409	120,409
Overtime	5010006	407	0	0	0	0	0	0
Operating Expenses	5020002	313,370	231,000	231,000	600,000	600,000	600,000	600,000
Conference & Travel Expenses	5050009	0	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	5060010	0	0	0	50,000	50,000	50,000	50,000
Data Processing	5090012	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	0	5,000	5,000	5,000	5,000	5,000	5,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		522,906	401,110	320,991	980,409	980,409	980,409	980,409

Funding Sources								
Fund Balance	4000005	395,777	545,064		293,454	293,454	0	0
Cash Fund	4000045	671,993	149,500		654,500	654,500	654,500	654,500
Inter-agency Fund Transfer	4000316	200	0		0	0	0	0
Total Funding		1,067,970	694,564		947,954	947,954	654,500	654,500
Excess Appropriation/(Funding)		(545,064)	(293,454)		32,455	32,455	325,909	325,909
Grand Total		522,906	401,110		980,409	980,409	980,409	980,409

Expenditure of appropriation is contingent upon available funding.
 Budget exceeds Authorized Appropriation in Extra Help due to an estimated transfer from the Personal Services Extra Help holding account.
 Budget Number of Extra Help Positions may exceed the Authorized Number due to single salary section in the appropriation act.

Analysis of Budget Request

Appropriation: AP7 - Compulsive Gambling Disorder Programs

Funding Sources: NRC - Cash In Treasury

Arkansas Constitutional Amendment 100, § 4(r)(4) of 2018 established a requirement of the Arkansas Racing Commission to provide an annual amount of at least \$200,000 for compulsive gambling disorder treatment and compulsive gambling disorder educational programs. A cash appropriation request in the amount of \$200,000 was originally approved by the Arkansas Legislative Council in December 2022.

Funding for this appropriation is provided by a one-time transfer of Governor's Rainy Day Funds approved by the Arkansas Legislative Council in December 2022.

The Agency is requesting to restore appropriation in the amount of \$200,000 in each year of the biennium for compulsive gambling disorder treatment and educational programs.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: AP7 - Compulsive Gambling Disorder Programs

Funding Sources: NRC - Cash In Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Gambling Addiction Treatment & 5900046	0	200,000	0	200,000	200,000	200,000	200,000
Total	0	200,000	0	200,000	200,000	200,000	200,000
Funding Sources							
Fund Balance 4000005	0	200,943		943	943	0	0
Rainy Day Fund 4000267	200,000	0		0	0	0	0
Interest 4000300	943	0		0	0	0	0
Total Funding	200,943	200,943		943	943	0	0
Excess Appropriation/(Funding)	(200,943)	(943)		199,057	199,057	200,000	200,000
Grand Total	0	200,000		200,000	200,000	200,000	200,000

Expenditure of appropriation is contingent upon available funding.
 Budget exceeds Authorized Appropriation due to a transfer from the Cash Fund Holding Account.

Analysis of Budget Request

Appropriation: AS9 - Compulsive Gambling Addictions

Funding Sources: HUA - Miscellaneous Agencies

Pursuant to Ark. Constitution Amendment 100, §4 (The Arkansas Casino Gaming Amendment of 2018), the Racing Commission has been tasked with the responsibility of providing an annual amount of at least \$200,000 for compulsive gambling disorder treatment and educational programs. The commission shall work together with the Department of Human Services to implement these programs.

This appropriation is funded by General Revenue.

Continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting to continue appropriation and general revenue funding in the amount of \$200,000 for each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: AS9 - Compulsive Gambling Addictions

Funding Sources: HUA - Miscellaneous Agencies

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Gambling Addiction Treatment & 5900046	0	200,000	200,000	200,000	200,000	200,000	200,000
Total	0	200,000	200,000	200,000	200,000	200,000	200,000

Funding Sources							
General Revenue 4000010	0	200,000		200,000	200,000	200,000	200,000
Total Funding	0	200,000		200,000	200,000	200,000	200,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	200,000		200,000	200,000	200,000	200,000

Analysis of Budget Request

Appropriation: X49 - Racing - Casino Holding

Funding Sources: NCR - Racing Cash in Treasury

This appropriation 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.

Continuing level of appropriation is the FY2023 Authorized.

The Agency is requesting to continue appropriation in the amount of \$25,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: X49 - Racing - Casino Holding

Funding Sources: NCR - Racing Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2021-2022	2022-2023	2022-2023	2023-2024		2024-2025	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Refunds/Investments/Transfers 5110020	14,564,793	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Total	14,564,793	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000

Funding Sources							
Cash Fund	4000045	14,564,793	25,000,000		25,000,000	25,000,000	25,000,000
Total Funding		14,564,793	25,000,000		25,000,000	25,000,000	25,000,000
Excess Appropriation/(Funding)		0	0		0	0	0
Grand Total		14,564,793	25,000,000		25,000,000	25,000,000	25,000,000

Expenditure of appropriation is contingent upon available funding.