

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4

A Bill

HOUSE BILL 1389

5 By: Representative Gramlich
6 By: Senator Stone
7

For An Act To Be Entitled

9 AN ACT TO REQUIRE A SERVICE INDUSTRY LICENSE FOR
10 CERTAIN PERSONS OR ENTITIES RELATED TO CASINO GAMING;
11 TO REQUIRE BACKGROUND CHECKS FOR SERVICE INDUSTRY
12 LICENSEES EMPLOYED BY A FRANCHISE HOLDER OR CASINO
13 LICENSEE; AND FOR OTHER PURPOSES.
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Subtitle

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17 TO REQUIRE A SERVICE INDUSTRY LICENSE FOR
18 CERTAIN PERSONS OR ENTITIES RELATED TO
19 CASINO GAMING; AND TO REQUIRE BACKGROUND
20 CHECKS FOR SERVICE INDUSTRY LICENSEES
21 EMPLOYED BY A FRANCHISE HOLDER OR CASINO
22 LICENSEE.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 23-117-102 is amended to read as follows:
28 23-117-102. Licenses for employees – Service industry licenses –
29 Background checks.

30 (a) The Arkansas Racing Commission shall require a person employed by
31 a franchise holder or casino licensee in the conduct of wagering on casino
32 gaming games or devices to obtain a license from the commission.

33 (b) A person or entity shall not sell or otherwise supply casino
34 gaming devices or services to a franchise holder or casino licensee for the
35 conduct of wagering on casino gaming devices as authorized in this chapter or
36 provide repair or other services to casino gaming devices unless the person



1 or entity has:

2 (1) Demonstrated to the satisfaction of the commission that the
 3 person or entity has the capability and qualifications necessary to
 4 reasonably furnish the equipment and perform the services to be provided by
 5 the supplier; and

6 (2) Obtained a service industry license from the commission.

7 (c) A service industry license is required for any person or entity
 8 that:

9 (1) Manufactures, sells, leases, supplies, or distributes
 10 devices, machines, equipment, accessories, objects, or articles that:

11 (A) Are designed specifically for use in casino gaming
 12 operations of the franchise holder or casino licensee;

13 (B) Are needed to carry out the activities of an
 14 authorized game;

15 (C) Have the capacity to affect the result of the play of
 16 an authorized game; or

17 (D) Have the capacity to affect the calculation, storage,
 18 collection, or control of the gross revenues;

19 (2) Provides maintenance services or repairs gaming equipment
 20 for casino gaming of the franchise holder or casino licensee;

21 (3) Provides management or operational services to a franchise
 22 holder or casino licensee for the person's or entity's casino gaming
 23 operations;

24 (4) Supplies materials, maintenance, management, or operational
 25 services, including without limitation security systems, gaming devices, and
 26 money handling or storage devices;

27 (5) Conducts more than one hundred fifty thousand dollars
 28 (\$150,000) in business with one (1) franchise holder or casino licensee;

29 (6) Is a key employee of a licensed service industry vendor that
 30 has the ability to direct, control, or manage operations and who has the
 31 discretionary authority over the decision-making within the licensed service
 32 industry vendor; or

33 (7) Is a general employee of a licensed service industry vendor
 34 that has direct access or remote access to a franchise holder's or casino
 35 licensee's casino gaming operations.

36 ~~(b)(1)(A)~~ (d)(1)(A) An applicant for a license under this section

1 shall be fingerprinted to determine the applicant's suitability to be issued
2 a license by the commission.

3 (B) The commission shall forward the fingerprints obtained
4 under subdivision ~~(b)(1)(A)~~ (d)(1)(A) of this section to the Division of
5 Arkansas State Police for statewide criminal and noncriminal background
6 checks.

7 (C) After completion of the statewide criminal and
8 noncriminal background checks under subdivision ~~(b)(1)(B)~~ (d)(1)(B) of this
9 section, the division shall forward the fingerprints obtained under
10 subdivision ~~(b)(1)(A)~~ (d)(1)(A) of this section to the Federal Bureau of
11 Investigation for a national criminal history record check.

12 (D) The commission shall be the recipient of the record
13 check from the Federal Bureau of Investigation.

14 (2) An applicant for a license under this section shall sign a
15 release that authorizes the:

16 (A) Division to forward the applicant's fingerprint card
17 to the Federal Bureau of Investigation for a national criminal history record
18 check; and

19 (B) Release of the results of the statewide criminal and
20 noncriminal background check and the national criminal history record check
21 performed under this section to the commission.

22 (3)(A) Any information received by the commission from the
23 statewide criminal and noncriminal background check or the national criminal
24 history record check required under this section shall be kept confidential
25 and shall be used by the commission only for the purpose of determining the
26 applicant's suitability to be licensed by the commission under this section.

27 (B) The commission may disclose information received by
28 the commission from the statewide criminal and noncriminal background check
29 and the national criminal history record check required under this section to
30 the applicant.

31 (4) A statewide criminal and noncriminal background check or
32 national criminal history record check is not required of applicants for
33 certain classes of licenses that have been exempted from investigation under
34 rules promulgated by the commission.

35 (5) The commission shall promulgate rules to implement this
36 subsection.

1 ~~(e)~~(e) A person who knowingly makes a false statement on a license
2 application under this section upon conviction is guilty of a Class A
3 misdemeanor.
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6 **APPROVED: 3/16/23**
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