

BALLOT ITEM

*By ELIZABETH CALDWELL, Democrat-Gazette Capitol Bureau April 2, 1996 Publication:
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A proposed constitutional amendment that would eliminate the state sales tax on food and replace the lost revenue with proceeds from a state lottery will be filed today with Attorney General Winston Bryant's office.

Diane Bray of Little Rock, owner of Golden Eagle Ice Co., said Monday that the plan also would allow up to 11 casinos in the state.

If the proposal's wording is approved by Bryant's office, supporters will have to gather the signatures of 71,684 registered voters by July 5 to earn a spot on the Nov. 5 ballot.

Ballot titles for six proposed amendments that would expand gambling in the state already have been approved by Bryant. Supporters of those proposals are now circulating petitions.

Also circulating petitions are members of the Christian Civic Action Committee. The committee has drafted a proposed amendment that would eliminate pari-mutuel wagering at Oaklawn Park in Hot Springs and Southland Greyhound Park in West Memphis.

Bray's original plan, which was submitted last year, would have authorized up to 20 casinos in eight counties. It also included a statewide lottery.

Under the revised plan:

+y There would be one casino each in Boone, Garland and Chicot counties at designated sites.

+y Pulaski County voters could approve a casino at a designated site partially owned by Bray.

+y Garland County voters could approve a second casino.

+y Miller County voters could approve a casino.

+y Three casinos could be approved elsewhere in the state by countywide elections.

+y Casinos would be allowed at Oaklawn and Southland.

All of the designated sites except those at Oaklawn and Southland are owned or controlled by sponsors of the amendment. Bray said owners of the sites do not intend to be in the casino business.

"This is strictly a land investment," she said.

Bray also said a plan to have a designated casino site at the Belvedere Country Club in Hot Springs has fallen through. Negotiations had been going on with the Dougall Gaming Corp. of Las Vegas, which wanted to build a casino at the Belvedere, once the site of an illegal casino.

Bray said the plan to exempt food from the state sales tax should be attractive to Arkansas voters. Last year, a proposal by Sen. Eugene "Bud" Canada, D-Hot Springs, to remove food from the 4.5 percent state sales tax passed the Senate but died in a House committee.

Republican legislators recently held a news conference to call for repeal of the sales tax on food. They hope to enact the repeal during a special legislative session that Gov. Jim Guy Tucker is expected to call later this year.

Rep. Gunner DeLay, R-Fort Smith, is trying to get a proposed constitutional amendment on the Nov. 5 ballot to repeal the sales tax on food.

Garland County could end up with three casinos under the plan. In addition to the casino at Oaklawn and the casino that could be approved through a local-option election, the designated site would be seven acres near downtown Hot Springs that are owned by R.J. Horner of Hot Springs.

The designated site in Boone County would be 500 acres along U.S. 65 near the Missouri border. The site is about 10 miles from Branson, Mo., and about 20 miles from Harrison.

The designated site in Chicot County would be near the intersection of U.S. 82 and U.S. 65 along Lake Chicot.

The Pulaski County site is on U.S. 165 north of the Arkansas River near Interstate 440.

Casino taxes would be set at 8 percent for the state and up to 2 percent for local governments.

Of the tax money the state could collect from the casinos:

+y 45 percent would be used for public safety programs and crime prevention.

+y 40 percent would be used for public school improvements.

+y 10 percent would be divided between the state Department of Parks and Tourism and the state Game and Fish Commission.

+y 5 percent would be used for treatment of substance abuse and gambling addiction.

Under Bray's plan, the casinos and the lottery would be regulated by a state commission. Commission members would be appointed by the governor.

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