Stricken language would be deleted from and underlined language would be added to present law. Act 1173 of the Regular Session

1	State of Arkansas	As Engrossed: S4/1/13	
2	89th General Assembly	A Bill	
3	Regular Session, 2013		SENATE BILL 997
4			
5	By: Senators J. Key, R. Thom	pson	
6	By: Representative Vines		
7			
8		For An Act To Be Entitled	
9	AN ACT TO A	AMEND THE ARKANSAS SCHOLARSHIP LO	TTERY ACT;
10	TO DECLARE	AN EMERGENCY; AND FOR OTHER PURP	OSES.
11			
12			
13		Subtitle	
14	TO AM	TEND THE ARKANSAS SCHOLARSHIP LOTT	ERY
15	ACT;	TO DECLARE AN EMERGENCY.	
16			
17			
18	BE IT ENACTED BY THE G	ENERAL ASSEMBLY OF THE STATE OF A	RKANSAS:
19			
20	SECTION 1. Ark.	Code § 6-60-901(1), concerning d	efinitions for the
21	Arkansas Higher Educat	ion Information System, is amende	d to read as follows:
22	(1) "Arkansas H	igher Education Information System	m" means the database
23	maintained by the Depa	rtment of Higher Education contai	ning student data
24	files that the departm	ent and institutions of higher ed	ucation in Arkansas
25	are required to collec	t under §§ 6-85-214, 6-85-215 <u>6-8</u>	<u>5-216</u> , and 6-85-217,
26	other state law, and f	ederal law; and	
27			
28	SECTION 2. Arka	nsas Code § 6-60-902(b)(3)(B), co	ncerning the Arkansas
29	Higher Education Infor	mation System, is amended to read	as follows:
30	(B) <u>(</u>	<u>i)</u> The bureau staff shall inform	the Department of
31	Higher Education of an	y warehouse data used in the prep	aration of reports and
32	provide the Department	of Higher Education at least one	(1) working day to
33	review any student-rel	ated warehouse data used in prepa	ration of reports
34	before publicly releas	ing that student-related data wit	hout personally
35	identifiable informati	on of a student.	
36		<u>(ii) This subdivision does not</u>	waive the



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1 confidentiality of a request of a member of the General Assembly under § 10-2 2-129. 3 4 SECTION 3. Arkansas Code § 6-85-204(5), concerning the definition of 5 continuously enrolled, is amended to amend subdivisions (5)(C) and (D) and 6 add an additional subdivision to read as follows: 7 (C) For a full-time current achiever student, he or she: 8 (i) Before receiving a scholarship under this 9 subchapter, successfully completed at least twelve (12) semester hours of 10 courses in consecutive semesters, not including a summer term; and 11 (ii) As a recipient of a scholarship under this 12 subchapter, successfully completes at an approved institution of higher 13 education at least fifteen (15) semester hours of courses in consecutive semesters, not including a summer term; and 14 15 (D) For a part-time nontraditional student, he or she 16 successfully completes at an approved institution of higher education at 17 least six (6) semester hours of courses in consecutive semesters, not 18 including a summer term; and 19 (E) For a student who is enrolled in a degree plan that 20 has a maximum number of semester hours in a semester that is less than the 21 requirements of subdivisions (5)(A)-(D) of this section, he or she 22 successfully completes at an approved institution of higher education the 23 maximum number of hours required by the degree plan for the semester; 24 25 SECTION 4. Arkansas Code § 6-85-204, concerning the definitions for 26 the Arkansas Academic Challenge Scholarship Program, is amended to add 27 additional subdivisions to read as follows: 28 (23) "Arkansas resident" means a natural person who provides 29 evidence deemed sufficient by the Department of Higher Education that: 30 (A) For the twelve-month period required under § 6-85-31 206(1) the person: 32 (i) Maintained a permanent home in Arkansas where 33 the person resides for an average of no less than four (4) days and nights 34 per calendar week; and 35 (ii) Either: 36 (a) Is an Arkansas registered voter;

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1	(b) Holds a valid Arkansas motor vehicle
2	driver's license;
3	(c) Receives benefits under an Arkansas public
4	assistance program;
5	(d) Uses an Arkansas residence address for
6	federal or state tax purposes; or
7	(e) Claims Arkansas as a residence to hold
8	public office or for judicial actions; or
9	(B) Before the deadline for filing a scholarship
10	application under this subchapter the applicant is:
11	(i) On active military status;
12	(ii) Qualifies for in-state tuition and fees under §
13	<u>6-60-205; and</u>
14	(iii) Meets one of the conditions under subdivision
15	<u>(23)(A)(ii);</u>
16	(24) "Enrolled" means that the approved institution of higher
17	education where the student is attending class counts the student as enrolled
18	for the hours claimed on the last day to add or drop a class at the approved
19	institution of higher education;
20	(25) "Semester" means one-half (1/2) of a traditional academic
21	year at an institution of higher education, or an equivalent approved by the
22	Department of Higher Education, in which a student enrolls for not less than:
23	(A) Fifteen (15) credit hours as a full-time student,
24	<u>except that in the first semester as a first-time full-time freshman, a</u>
25	<u>traditional student shall enroll in not less than twelve (12) credit hours;</u>
26	<u>or</u>
27	(B) Six (6) credit hours as a part-time student; and
28	(26) "Smart Core" means:
29	(A) The college and career readiness curriculum by that
30	name under rules of the State Board of Education; or
31	(B) A college and career readiness curriculum that is:
32	(i) Established by rules of the state board in
33	coordination with the Department of Higher Education; and
34	(ii) Substituted for the curriculum named "Smart
35	<u>Core".</u>
36	

1	SECTION 5. Arkansas Code § 6-85-206(1), concerning basic eligibility
2	requirements, is amended to add an additional subdivision to read as follows:
3	(D) During the twelve (12) months immediately preceding
4	the date an applicant will enroll in an approved institution of higher
5	education if the person for whom the twelve-month period is calculated under
6	subdivision (1)(A) or (B) of this section is deployed outside of Arkansas
7	under military orders, the Department of Higher Education shall calculate the
8	twelve (12) months by:
9	(i) Excluding months of military deployment outside
10	of Arkansas that are within the twelve (12) months immediately preceding the
11	date the applicant will enroll in an approved institution of higher
12	education; and
13	(ii) Including months the person maintained Arkansas
14	residency immediately preceding the military deployment outside of Arkansas.
15	
16	SECTION 6. Arkansas Code § 6-85-206(4), concerning basic eligibility
17	requirements, is amended to read as follows:
18	(4) (A) The applicant has not met the maximum continuing education
19	eligibility requirements under § 6-85-210+
20	(i) Earned a baccalaureate degree; or
21	(ii) Completed one hundred thirty (130) semester hours of
22	eredit at an institution of higher education.
23	(B) An applicant is not eligible for a scholarship to a two-year
24	approved institution of higher education if the applicant has:
25	(i) Earned an associate degree; or
26	(ii) Completed sixty-six (66) semester hours of credit at
27	an institution of higher education;
28	
29	SECTION 7. Arkansas Code § 6-85-210(a), concerning continuing
30	eligibility requirements, is amended to read as follows:
31	(a)(1) A recipient who meets continuing eligibility criteria under
32	this subchapter shall receive a scholarship for one (1) academic year
33	renewable annually until the recipient first:
34	(1)(A) Earns a baccalaureate degree;
35	(2)(A)(B) Attempts a transcript total of one hundred
36	thirty (130) semester hours in <u>Has enrolled in</u> eight (8) semesters at any

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1 approved an institution of higher education as an undergraduate full-time 2 student. 3 (B) If the recipient's undergraduate degree requires 4 additional hours, the Department of Higher Education, in conjunction with the 5 institution of higher education where the recipient is enrolled, shall 6 determine the maximum period of time for renewal of the scholarship; or 7 (3)(C) Attempts a transcript total of one hundred thirty 8 (130) semester hours in Has enrolled in sixteen (16) semesters at any 9 approved an institution of higher education as an undergraduate part-time student. 10 11 (2) A semester in which a student withdraws or fails to complete 12 the number of credit hours for which the student first enrolled is counted 13 toward the maximum number of semesters for which the student may receive a 14 scholarship award under this subchapter. 15 (3) The maximums under this subsection (a) apply to any degree 16 program, regardless of whether or not the degree program requires additional 17 semesters. 18 19 SECTION 8. Arkansas Code § 6-85-210(b)(5), concerning continuing 20 eligibility requirements, is amended to read as follows: 21 (5) A recipient shall enroll in courses that lead toward a 22 baccalaureate degree program after attempting the lesser of: (A) Sixty-six (66) semester hours <u>Five (5) semesters</u>; or 23 24 (B) The completion of an associate degree program, unless 25 the number of hours required to complete the associate degree program exceeds 26 sixty-six (66) semester hours, in which case the higher number of hours for 27 completion shall be used for this subdivision (b)(5); and 28 29 SECTION 9. Arkansas Code § 6-85-210(c)-(e), concerning continuing 30 eligibility requirements, is amended to read as follows: 31 (c)(l)(A) If a recipient becomes ineligible for the scholarship 32 because the recipient's postsecondary grade point average or number of 33 successfully completed credit hours no longer meets the minimum requirement 34 for the scholarship, the recipient may regain eligibility under this 35 subsection (c) one (l) time only in an the academic year in which the student 36 became ineligible.

1	(B) The Department of Higher Education shall by rule
2	<u>define "academic year".</u>
3	(2)(A) A traditional student recipient who becomes ineligible
4	for a scholarship may use this subsection (c) to become eligible as a first-
5	time nontraditional student applicant but may not use this subsection (c)
6	again to regain lost eligibility for the nontraditional student scholarship.
7	(B) A recipient who loses eligibility for the scholarship
8	and does not regain eligibility under subdivision (c)(l) of this section is
9	not eligible to apply for a scholarship under any eligibility provision of
10	this subchapter.
11	(3) The recipient shall complete the requirements for regaining
12	eligibility under this subsection (c):
13	(i) In the same academic year in which the student
14	failed to maintain eligibility; and
15	(ii) At the student's own expense.
16	(2)(4) Except as provided under § 6-85-211(a)(3) and unless the
17	requirements of this subsection (c) are waived by the Department of Higher
18	Education department under subsection (d), to regain eligibility for the
19	scholarship:
20	(A) <u>(i)</u> A <u>As a traditional or nontraditional</u> full-time
21	student <u>, the student</u> shall:
22	(i)<u>(</u>a) Successfully complete at least fifteen (15)
23	semester hours of courses for credit for which the approved institution of
24	higher education certifies that the courses meet the satisfactory academic
25	progress standards of the institution; and
26	(ii)(b) Achieve a 2.5 grade point average for the
27	semester hours completed under this subdivision (c)(2)(A)<u>(</u>c)(4)(A).
28	<u>(ii) A traditional student who does not regain</u>
29	eligibility under subdivision (c)(4)(A)(i) of this section is ineligible to
30	<u>reapply for a scholarship as a traditional student but may apply as a</u>
31	nontraditional student; and
32	(B) A <u>As a nontraditional</u> part-time student, the student
33	shall:
34	(i) Successfully complete at least six (6) semester
35	hours of courses for credit for which the approved institution of higher
36	education certifies that the courses meet the satisfactory academic progress

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1 standards of the institution; and 2 (ii) Achieve a 2.5 grade point average for the semester hours successfully completed under this subdivision 3 4 (c)(2)(B)(c)(4)(B). 5 (d)(1) If a recipient becomes ineligible for the scholarship because 6 the recipient has not successfully completed the required number of hours for 7 continuing eligibility, the recipient may regain eligibility under this 8 subsection for one (1) time only. 9 (2)(A) Except as provided under § 6-85-211(a)(3) and unless the requirements of this subsection (d) are waived by the Department of Higher 10 11 Education, to regain eligibility for the scholarship the recipient shall 12 complete the number of hours needed to regain eligibility. 13 (B) The recipient shall successfully complete the required 14 number of hours during the summer term at the student's own expense. 15 (c)(d) If a recipient is subject to losing a scholarship under 16 subsection (c) or subsection (d) of this section due to a catastrophic event 17 experienced by the recipient or a family member of the recipient, the 18 department may waive the requirements of this subsection and determine the 19 appropriate requirements for the recipient to either retain or regain the 20 scholarship. 21 22 SECTION 10. Arkansas Code § 6-85-214(b), concerning accountability and 23 transparency of the Arkansas Academic Challenge Scholarship Program, is 24 amended to read as follows: 25 The General Assembly finds that the collection of data and the (b) 26 reports required under §§ 6-85-215 6-85-216 - 6-85-220 and § 6-60-901 et seq. 27 are necessary to ensure accountability and transparency. 28 29 SECTION 11. Arkansas Code § 6-85-215 is repealed: 30 6-85-215. Student consent form. (a)(1)(A) A student receiving any state-supported student financial 31 32 assistance shall complete and sign a form authorizing or refusing to 33 authorize: 34 (i) The institution of higher education to release 35 the student's individual personal information to the Bureau of Legislative 36 Research;

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1	(ii) The institution of higher education to provide
2	the bureau with academic progress information for the scholarship recipient;
3	and
4	(iii) The Department of Higher Education to release
5	the student's individual personal information to the bureau.
6	(B) If a student is less than eighteen (18) years of age,
7	the student's parent or guardian shall complete and sign the form.
8	(2)(A) A decision to refuse to authorize the release of
9	information under this section does not apply to nonindividually identifiable
10	information released under any other section of this subchapter or under any
11	other law.
12	(B) In order to provide better statistical data, each
13	institution shall report the number of students who refuse to authorize the
14	release of information.
15	(3)(A) Before any state funds for state-supported student
16	financial assistance are released on behalf of a student, the form signed by
17	the student or the student's parent or guardian indicating either the
18	student's authorization to release or the refusal to authorize the release of
19	information under this section shall be obtained by:
20	(i) The department if the department awards the
21	state-supported student financial assistance; or
22	(ii) The institution of higher education if the
23	state-supported student financial assistance is awarded solely by the
24	institution.
25	(B) The form shall state that:
26	(i) The purpose for the bureau's collecting data is
27	to guide the General Assembly's evaluation of the need for adjustments to
28	scholarship program eligibility and funding levels; and
29	(ii) A refusal to authorize the release of
30	information under this section will not affect the student's eligibility for
31	a scholarship.
32	(C) A high school student enrolled in a course for
33	concurrent credit is exempt under this section.
34	(4) The form shall list the categories of information authorized
35	for release under this section.
36	(5) The Director of the Bureau of Legislative Research may:

1	(A) Seek an opinion from the Family Policy Compliance
2	Office of the United States Department of Education concerning the
3	requirement to authorize or refuse to authorize the release of information
4	under this section; or
5	(B) Request the Department of Higher Education to seek the
6	opinion on behalf of the bureau.
7	(b) The information consented to be released by the student shall
8	include:
9	(1) A unique student identifier;
10	(2) Status for Federal Pell Grant;
11	(3) Postsecondary grade point average;
12	(4) Number of semester hours attempted;
13	(5) Number of semester hours completed;
14	(6) Gender, race, ethnicity, and age;
15	(7) High school graduated from or General Educational
16	Development test score;
17	(8) High school grade point average; and
18	(9) ACT score or ACT equivalent score, if available.
19	(c) This section does not apply to scholarships or other forms of
20	student financial assistance that are completely privately funded.
21	(d)(l) Approved institutions of higher education shall undertake any
22	procedures necessary to ensure the collection of the information under this
23	section and shall provide it to the bureau in a mutually agreed upon
24	electronic format by November 1 of each school year for students awarded for
25	that academic year state-supported student financial assistance.
26	(2) An approved institution of higher education may lose its
27	approved status for receiving scholarship funds on behalf of a recipient
28	under this subchapter if it fails to make a good faith effort to:
29	(A) Collect the student form required under this section;
30	OT
31	(B) Comply with subdivision (d)(1) of this section.
32	(3) In addition to the provisions of subdivision (d)(2), an
33	institution of higher education that is not in compliance with this section
34	shall not be eligible to accept state aid from the Higher Education Grants
35	Fund account on behalf of a student.

35 Fund account on behalf of a student

36 (e)(1) The student data provided to the bureau under this section are

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1	not subject to release under the Freedom of Information Act of 1967, § 25-19-
2	101 et seq.
3	(2) The bureau shall not release any personally identifiable
4	student data received under this section.
5	(f)(l) The bureau shall inform the Department of Higher Education of
6	any data used in the preparation of reports and provide the department at
7	least two (2) working days to review any student-related data used in
8	preparation of reports before publicly releasing that student-related data
9	without personally identifiable data.
10	(2) This subsection (f) does not waive the confidentiality of a
11	request of a member of the General Assembly under § 10-2-129.
12	(g) The department shall collect the release of information form
13	required under this section during the application process for state-
14	supported student financial assistance for all formats of the application.
15	(h) The department shall establish a standardized method to be used by
16	all institutions of higher education in the state to collect electronically
17	from all students the release of information form required under this
18	section.
19	
20	SECTION 12. Arkansas Code § 6-85-216(a), concerning reports from
21	institutions of higher education to the Department of Higher Education, is
22	amended to add an additional subdivision to read as follows:
23	(3)(A) An approved institution of higher education shall
24	undertake the procedures necessary to ensure the collection and reporting of
25	student information under this section.
26	(B) An approved institution of higher education may lose
27	its approved status for receiving scholarship funds on behalf of a recipient
28	under this subchapter if it fails to make a good-faith effort to comply with
29	this section.
30	(C) In addition to the provisions of subdivision $(a)(3)(B)$
31	of this section, an institution of higher education that does not comply with
32	this section shall not be eligible to accept state aid from the Higher
33	Education Grants Fund Account on behalf of a student.
34	
35	SECTION 13. Arkansas Code § 6-85-217, concerning information provided
36	to the Bureau of Legislative Research by the Department of Higher Education,

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1	is amended to read as follows:
2	(a)(1) The Department of Higher Education shall provide the following
3	data to the Bureau of Legislative Research through the Arkansas Higher
4	Education Information System under § 6-60-901 et seq., the following data
5	when requested for the purpose of assisting the General Assembly with
6	evaluation and analysis under this subchapter:
7	(A)(1) Existing individual student data;
8	(B)(2) Institutional data;
9	(C)(3) Financial data;
10	(D)(4) Aggregate student scholarship and grant application and
11	award data; and
12	(5) Remedial course data; and
13	(E)(6) Other data needed to track scholarship and grant students
14	receiving state-supported student financial assistance from year to year.
15	(2) Annually on the first business day of November, the
16	department shall submit to the bureau a report created from the information
17	under subdivision (a)(1) of this section from all students based on the
18	previous academic year.
19	(3) The department shall provide to the bureau the data files of
20	students who have consented to the release of their information under § 6-85-
21	215 on the following schedule:
22	(A) Annually, for data collected from students who have
23	consented, the department shall provide:
24	(i) By October 31, the summer II end-of-term data
25	files and the fall-term data files for the current academic year;
26	(ii) By February 28, the fall end-of-term data files
27	and the spring term data files for the current academic year;
28	(iii) By June 30, the spring end-of-term data files
29	and the summer-I-term data files for the current academic year; and
30	(iv) By August 15:
31	(a) The summer I end-of-term data files and
32	the summer-II-term data files for the current academic year; and
33	(b) The end-of-year data file for the academic
34	year just ended, containing data from all of the previous end-of-term data
35	files for the academic year just ended; and
36	(B) When requested by the bureau.

1	(4) The bureau shall use only the data from end-of-term data
2	files for official reporting.
3	(5) Annually, the department shall provide to the bureau data
4	files from all students who applied for state-supported student financial
5	assistance for the upcoming academic year on the following schedule:
6	(A) Within thirty (30) days of the submission deadline for
7	the state-supported student financial assistance application, a file
8	containing information on all students who applied for state-supported
9	student financial assistance;
10	(B) Within sixty (60) days of the submission deadline for
11	the state-supported student financial assistance application, a file
12	containing information on all applicants and their award status for state-
13	supported student financial assistance; and
14	(C) Within thirty (30) days of the dispersal of state-
15	funded financial aid to the institutions, a file containing information on
16	all students who received state-supported student financial assistance.
17	(b)(1) To maintain confidentiality of individual student records in
18	accordance with the Family Educational Right to Privacy Act, 20 U.S.C. §
19	1232g, the Department of Higher Education shall establish a system for
20	removing or recoding any personally identifiable student data in student
21	records that are used by the bureau for research and evaluation of
22	scholarships and grants funded with net proceeds from the state lottery and
23	those funded with nonlottery state educational resources.
24	(2) The bureau shall assist the Department of Higher Education
25	by providing input concerning the development or modification of the system.
26	(3)(A) The Director of the Bureau of Legislative Research may
27	seek an opinion from the Family Policy Compliance Office of the United States
28	Department of Education concerning the Department of Higher Education's
29	system, any proposed modification of the system, or any request for
30	information made by the bureau under this section.
31	(B) The director may request the Department of Higher
32	Education to seek the opinion on behalf of the bureau.
33	
34	SECTION 14. Arkansas Code § 6-85-219, concerning reports to
35	legislative committees, is amended to read as follows:
36	(a)(1) Quarterly during fiscal years 2010 and 2011, the Department of

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1 Higher Education shall report to the Arkansas Lottery Commission Legislative 2 **Oversight Committee:** 3 (A) The information required by subsection (b) of this 4 section to the extent the information is available; 5 (B) The costs of administering scholarships funded with 6 net proceeds from the state lottery; 7 (C) Projected levels of state funding for scholarships and 8 grants; 9 (D) Recommendations for changes to the program, including 10 without limitation adjustments to eligibility requirements of the Arkansas 11 Academic Challenge Scholarship Program and award levels; and 12 (E) Other data the committee or the General Assembly may 13 require. 14 (2) The Arkansas Lottery Commission Legislative Oversight 15 Committee may specify criteria related to any item of information required by 16 this section. 17 (b)(1)(a)(1) Annually by July 1 August 1, the department Department of 18 Higher Education shall report to the Arkansas Lottery Commission Legislative 19 Oversight Committee in the manner and format that the committee requires on 20 all state-supported student financial assistance awarded by the department 21 and awarded by approved institutions of higher education. 22 (2) The information provided shall include without limitation: 23 (A) Current year expenditures for scholarships and grants 24 under the program; 25 (B) Projected obligations for succeeding years from each 26 scholarship or grant funding source; 27 (C) Fund balances for the: 28 (i) Higher Education Grants Fund Account; and 29 (ii) Trust accounts maintained by the Director of 30 the Department of Higher Education to hold the net proceeds from the state lottery; 31 32 An evaluation of whether the net proceeds from the (D) state lottery available for the program supplements and does not supplant 33 34 nonlottery state educational resources; 35 (E) Recommendations for changes to the program, including 36 without limitation:

13

1	(i) Adjustments to the eligibility requirements of
2	the program; and
3	(ii) Increases or decreases in the amounts awarded
4	for an Arkansas Academic Challenge Scholarship based on the amount of net
5	proceeds from the state lottery available; and
6	(F)(E) Any other Other information that the Arkansas
7	Lottery Commission Legislative Oversight Committee or the General Assembly
8	may request requests.
9	(b) Annually by December 1, the department shall report to the
10	Arkansas Lottery Commission Legislative Oversight Committee its
11	recommendations for changes to the program, including without limitation:
12	(1) Adjustments to the eligibility requirements of the program;
13	and
14	(2) Increases or decreases in the amounts awarded for an
15	Arkansas Academic Challenge Scholarship based on the amount of net proceeds
16	from the state lottery available.
17	
18	SECTION 15. Arkansas Code § 23-115-304(b)(1), concerning participation
19	of Arkansas Lottery Commission employees in the Arkansas Public Employees'
20	Retirement System, is amended to read as follows:
21	(b)(1) A commission employee's compensation for retirement purposes
22	shall be the amount determined by the commission includes only the base
23	<u>salary of the employee</u> under §§ 23-115-305 and 23-115-307 and shall not
24	include a special salary allowance under § 23-115-306 used to increase the
25	employee's salary.
26	
27	SECTION 16. Arkansas Code § 23-115-601(f)(5)(C) and (D), concerning
28	the application for lottery retailers, is amended to read as follows:
29	(C) (i) A person applying to become a retailer shall be
30	charged a uniform application fee determined by rule for each lottery
31	outlet .
32	(ii) The application fee shall take into account the
33	cost of a state and federal criminal background check under subsection (e) of
34	this section; and
35	(D) All retailer licenses may be renewable annually in the
36	discretion of the commission unless canceled or terminated by the

14

2 (E) The commission may establish by rule a reasonable fee 3 for the issuance, reissuance, fine, or penalty associated with the process, 4 procedures, or enforcement necessary to issue or maintain a retailer license, 5 including without limitation to cover the cost of: 6 (i) An initial and any subsequent state and federal 7 criminal background check under this subchapter; and 8 (ii) The reporting, communications technology, and 9 banking processes necessary to implement and enforce this subchapter. 10 sectrion 17. Arkansas Code § 23-115-801(d), concerning lottery 12 proceeds, is amended to read as follows: 13 (d)(1) The General Assembly finds that: 14 (A) The administration of scholarships with proceeds from 15 the lottery are expenses of the commission; and 16 (B) Because the department has the expertise and 17 experienced staff needed to efficiently and appropriately administer the 18 scholarships, the commission shall use the services of the department to 19 administer scholarships funded with net proceeds from the lottery. 20 (2)(A) Annually by April 1, the department shall provide to the 21 comm
4procedures, or enforcement necessary to issue or maintain a retailer license,5including without limitation to cover the cost of:6(i) An initial and any subsequent state and federal7criminal background check under this subchapter; and8(ii) The reporting, communications technology, and9banking processes necessary to implement and enforce this subchapter.1011SECTION 17. Arkansas Code § 23-115-801(d), concerning lottery12proceeds, is amended to read as follows:13(d)(1) The General Assembly finds that:14(A) The administration of scholarships with proceeds from15the lottery are expenses of the commission; and16(B) Because the department has the expertise and17experienced staff needed to efficiently and appropriately administer the18scholarships, the commission shall use the services of the department to19administer scholarships funded with net proceeds from the lottery.20(2)(A) Annually by April 1, the department shall provide to the21commission and to the Arkansas Lottery Commission Legislative Oversight22Committee the department's budget for the administrative expenditures allowed23under this subsection.24(B) Annually by October 31, the department shall provide
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25 <u>an invoice to the commission for reimbursement of the administrative</u>
26 <u>expenditures allowed under this subsection including</u> , without limitation:
27 (i) For each employee the:
28 (a) Type of position, whether full-time, part-
29 time, permanent or temporary; and
30 (b) Salary paid;
31 (ii) A description of other expenditures requested
32 <u>in the invoice; and</u>
33 (iii) An explanation of the increase, if any, of
34 actual expenditures over the budgeted expenditures.
35 (3)(A) Annually by November 1, the commission shall file a copy
36 of the invoice with the Arkansas Lottery Commission Legislative Oversight

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1	Committee for its review.
2	(B) The Arkansas Lottery Commission Legislative Oversight
3	Committee shall review the invoice and forward its comments, if any, to the
4	commission.
5	(C) The commission shall reimburse the department for the
6	costs of administering the scholarship awards funded with net proceeds from
7	the lottery after review of the reimbursement amount by the Arkansas Lottery
8	Commission Legislative Oversight Committee Arkansas Lottery Commission
9	Legislative Oversight Committee's review under this subsection (d).
10	
11	SECTION 18. EMERGENCY CLAUSE. It is found and determined by the
12	General Assembly of the State of Arkansas that increasing the number of
13	Arkansans obtaining postsecondary credentials is critical to the economic
14	health of the state and its citizens; that the Arkansas Scholarship Lottery
15	provides the opportunity for tens of thousands of Arkansans to obtain
16	postsecondary education; that the deadline for scholarship applications is
17	June l; that the financial integrity of the Arkansas Scholarship Lottery is
18	critical to the continued existence of the scholarships; and that this act is
19	immediately necessary because the Department of Higher Education must
20	promulgate rules to implement this act well before June 1, 2013, in order to
21	provide eligible Arkansans the opportunity to apply for the scholarship.
22	Therefore, an emergency is declared to exist and this act being immediately
23	necessary for the preservation of the public peace, health, and safety shall
24	become effective on:
25	(1) The date of its approval by the Governor;
26	(2) If the bill is neither approved nor vetoed by the Governor,
27	the expiration of the period of time during which the Governor may veto the
28	<u>bill; or</u>
29	(3) If the bill is vetoed by the Governor and the veto is
30	overridden, the date the last house overrides the veto.
31	
32	/s/J. Key
33	
34	
35	APPROVED: 04/12/2013
36	