REPORT OF THE LOTTERY OVERSIGHT SUBCOMMITTEE OF THE ARKANSAS LEGISLATIVE COUNCIL

January 28, 2022

Senator Rice and Representative Wardlaw:

The Lottery Oversight Subcommittee met Wednesday, January 26, 2022, at 3:00 p.m., in Committee Room A-MAC Building., Little Rock, Arkansas.

The Subcommittee heard testimony regarding the following item:

1. Update on the Arkansas Academic Challenge and Workforce Challenge Scholarship Program, with testimony from Mr. Nick Fuller, Deputy Director, Arkansas Division of Higher Education.

The Subcommittee reviewed the following reports:

- 1. Department of Finance and Administration (DF&A), Office of Arkansas Lottery (OAL) Director's Report, Term Contracts and Proposed FY2022 Annual Budget.
- 2. Arkansas Division of Higher Education (ADHE) Invoice for Reimbursement of Administrative Expenditures.
- 3. Review of the Arkansas Division of Higher Education Report.
- 4. Approval of the ALC Lottery Oversight Subcommittee Annual Report to the Arkansas Legislative Council. The final report is attached.

Respectfully submitted, Senator Ronald Caldwell and Representative Gary Deffenbaugh

(annual)

ARKANSAS LEGISLATIVE COUNCIL

Senator Ronald Caldwell Co-Chair



Representative Gary Deffenbaugh Co-Chair

ARKANSAS LOTTERY OVERSIGHT SUBCOMMITTEE

January 28, 2022

The Honorable Terry Rice, Co-Chair The Honorable Jeff Wardlaw, Co-Chair Arkansas Legislative Council 315 State Capitol Little Rock, AR 72201

Dear Senator Rice and Representative Wardlaw:

As Chairs of the Arkansas Lottery Oversight Subcommittee of the Arkansas Legislative Council, in compliance with ACA §§ 6-85-220 (b) and 23-115-1101 (b), we wish to inform you that our Subcommittee reports the following recommendations:

- The Arkansas Lottery Oversight Subcommittee should continue to provide oversight to the operations and activities of the Department of Finance & Administration Office of the Arkansas Lottery;
- The Arkansas Lottery Oversight Subcommittee should continue to review the Department of Finance & Administration Office of the Arkansas Lottery's implementation of Scientific Games, Inc., Intralot, Inc. and Camelot Global Services term contracts: and
- The Arkansas Lottery Oversight Subcommittee should continue to monitor the funds available to guarantee the Arkansas Academic Challenge Scholarship and Workforce Challenge Scholarship remains solvent within its parameters.

Please do not hesitate to contact us if you have any questions concerning this report.

Respectfully submitted,

Senator Ronald Caldwell Co-Chair

Representative Gary Deffenbaugh Co-Chair