

Hall of the House of Representatives
88th General Assembly - Regular Session, 2011
Amendment Form

Subtitle of House Bill No. 1947

TO AMEND PROVISIONS OF THE ARKANSAS SCHOLARSHIP LOTTERY ACT
CONCERNING LOTTERY PROCEEDS.

Amendment No. 1 to House Bill No. 1947

Amend House Bill No. 1947 as originally introduced:

Add Senator J. Key as a cosponsor of the bill

AND

Page 1, line 9, delete "PROCEEDS;" and substitute "PROCEEDS, SCHOLARSHIP AWARD AMOUNTS, AND MANAGEMENT OF CERTAIN CAPITAL ASSETS OF THE ARKANSAS LOTTERY COMMISSION; TO DECLARE AN EMERGENCY;"

AND

Delete the subtitle in its entirety and substitute:

"TO AMEND PROVISIONS OF THE ARKANSAS SCHOLARSHIP LOTTERY ACT CONCERNING LOTTERY PROCEEDS, SCHOLARSHIP AWARD AMOUNTS, AND MANAGEMENT OF CERTAIN CAPITAL ASSETS OF THE ARKANSAS LOTTERY COMMISSION; TO DECLARE AN EMERGENCY."

AND

Delete everything after the enacting clause and substitute the following:

"SECTION 1. Arkansas Code § 6-85-212(e), concerning the award amounts for the Arkansas Academic Challenge Scholarship Program -- Part 2, is amended to read as follows:

(e)(1)(A) The Beginning with the 2011-2012 academic year, the scholarship award amount under this subchapter for an academic year for a full-time recipient enrolled in a four-year approved institution of higher education is ~~five thousand dollars (\$5,000)~~ four thousand five hundred dollars (\$4,500).



~~(B)(i) The Department of Higher Education shall award an aggregate amount of scholarship awards to current achiever students beginning with the 2010-2011 academic year of up to forty-one million five hundred thousand dollars (\$41,500,000).~~

~~(ii) The department Department of Higher Education shall not accept new applications for scholarships for current achiever students under this subdivision (e)(1)(B) § 6-85-209 after June 1, 2012.~~

~~(C) After deducting the amount committed for current achiever student scholarships from the amount available under subdivision (e)(1)(B) of this section, the department shall use the balance to fund scholarships to nontraditional students under this subchapter.~~

(2)(A) The department shall award an aggregate amount of scholarship awards to nontraditional students beginning with the 2010-2011 academic year of twelve million dollars (\$12,000,000), ~~excluding any funding for nontraditional student scholarships under subdivision (e)(1)(C) of this section.~~

(B)(i) The department shall return to the Arkansas Lottery Commission the excess funding, if any, for scholarship awards the department received under § 23-115-801.

(ii) The commission shall deposit any funds received from the department under this subdivision (e)(2)(B) into a trust account established under § 23-115-801(b).

(C) Priority for scholarships awarded to nontraditional students and current achiever students is based on the applicant's level of progress toward completion of a certificate, an associate degree, nursing diploma, or a baccalaureate degree, or on other criteria established by the department.

(3) The scholarship award for a full-time student enrolled in a two-year approved institution of higher education is one-half ($\frac{1}{2}$) of the scholarship award amount for a full-time undergraduate student enrolled in a four-year approved institution of higher education.

(4) The scholarship award amount for a part-time student recipient shall be:

(A) One-half ($\frac{1}{2}$) of the award amount for a full-time student recipient, if the recipient is enrolled in at least six (6) semester hours but less than nine (9) semester hours; or

(B) Three-quarters ($\frac{3}{4}$) of the award amount for a full-time student recipient, if the recipient is enrolled in at least nine (9) semester hours but less than the number of hours required for a full-time student recipient.

(5) A current recipient who maintains eligibility for the scholarship under this subchapter shall continue to receive the scholarship award amount first awarded to the recipient.

SECTION 2. Arkansas Code § 23-115-103, concerning the definitions used in the Arkansas Scholarship Lottery Act, is amended to add additional subdivisions to read as follows:

(27)(A) "Multistate or multisovereign lottery" and "multistate or multisovereign game" mean a lottery or game:

(i) Provided by an association or group of state-operated or sovereign-operated lotteries that is:

(a) Organized for the purpose of government benefit; and

(b) Wholly owned and operated by the member lotteries under a mutual agreement, contract, or compact; and

(ii) Operated pursuant to the terms of the association's or group's rules governing the operation and the payment of prizes of the game.

(B) "Multistate or multisoovereign lottery" and "multistate or multisoovereign game" do not include a lottery prohibited or excluded under this chapter;

(28) "Prize promotion" means an action taken to enhance the play for an individual game by one (1) or more of the following:

(A) Funding player affinity programs to promote play of a particular instant or online game;

(B) Enriching the prize for an instant or online game;

(C) Instituting player incentives for an individual game;

(D) Instituting retailer commission incentives for an individual game; or

(E) Funding supplemental advertising expenses related to enhancing the promotion of an individual game; and

(29)(A) "Unclaimed lottery prize money" means a lottery prize expense on the financial books of the commission that is released from the expense category when a lottery prize is not claimed within the required claim period for the game during a fiscal year.

(B) With respect to a multistate or multisoovereign game, "unclaimed lottery prize money":

(i) Includes any unclaimed prize money returned to the commission from a multistate or multisoovereign game; and

(ii) Does not include unclaimed prize money from a multistate or multisoovereign game that under the agreement of the states participating in the multistate or multisoovereign game is not returned to the participating states but is applied under the terms of the agreement.

SECTION 3. Arkansas Code § 23-115-403(g), concerning unclaimed lottery prize money, is amended to read as follows:

(g)(1) ~~Unclaimed lottery prize money shall be added to net lottery proceeds~~ During a fiscal year, the commission may expend up to two million five hundred thousand dollars (\$2,500,000) of unclaimed lottery prize money for one (1) or more of the following:

(A) Increasing the pool from which future lottery prizes are to be awarded;

(B) Maintaining online game reserves at a fiscally sound level; or

(C) Prize promotion.

(2) On the last day of each fiscal year, the commission shall deposit into the trust account for net lottery proceeds the amount of unclaimed lottery prize money existing at the end of the fiscal year less one million dollars (\$1,000,000).

(3) The commission shall include in its monthly reports to the Arkansas Lottery Commission Legislative Oversight Committee the following monthly and year-to-date amounts:

(A) Unclaimed lottery prize money;

(B) Expenditures from unclaimed lottery prize money; and
(C) Deposits to net lottery proceeds from unclaimed
lottery prize money.

SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
General Assembly of the State of Arkansas that increasing the number of
Arkansans who obtain postsecondary credentials is critical to the economic
health of the state and its citizens; that the Arkansas Scholarship Lottery
provides the opportunity for tens of thousands of Arkansans to obtain
postsecondary education; that the deadline for scholarship applications is
June 1; that the financial integrity of the Arkansas Scholarship Lottery is
critical to the continued existence of the scholarships; that the reporting
and research provisions of this act are critical for timely decisions by the
General Assembly on scholarship awards; and that this act is immediately
necessary because the Department of Higher Education must promulgate rules to
implement this act well before June 1, 2011, in order to provide eligible
Arkansans the opportunity to apply for the scholarship. Therefore, an
emergency is declared to exist and this act being immediately necessary for
the preservation of the public peace, health, and safety shall become
effective on:

- (1) The date of its approval by the Governor;
- (2) If the bill is neither approved nor vetoed by the Governor,
the expiration of the period of time during which the Governor may veto the
bill; or
- (3) If the bill is vetoed by the Governor and the veto is
overridden, the date the last house overrides the veto."

The Amendment was read _____
By: Representative Perry
CLR/CLR - 03/21/11 04:23
CLR291

Chief Clerk