

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

HOUSE BILL 1020

5 By: Representative Love
6 By: Senator Elliott
7

For An Act To Be Entitled

9 AN ACT TO CREATE THE GENERAL ASSEMBLY PROMISE LOTTERY
10 SCHOLARSHIP PROGRAM; TO PROVIDE FUNDS TO EVERY CHILD
11 BORN IN ARKANSAS TO BE USED FOR COLLEGE TUITION; AND
12 FOR OTHER PURPOSES.
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Subtitle

16 TO CREATE THE GENERAL ASSEMBLY PROMISE
17 LOTTERY SCHOLARSHIP PROGRAM; TO PROVIDE
18 FUNDS TO EVERY CHILD BORN IN ARKANSAS TO
19 BE USED FOR COLLEGE TUITION.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. DO NOT CODIFY. Legislative findings.

25 The General Assembly finds that:

26 (1) Arkansas Constitution, Article 19, § 14, provides that
27 proceeds from the Arkansas Scholarship Lottery shall be used only for the
28 operating expenses of the lottery and to provide scholarships and grants to
29 Arkansas citizens who are enrolled in public and private nonprofit two-year
30 and four-year colleges and universities in Arkansas;

31 (2) The use of lottery proceeds to establish for an Arkansas
32 citizen a college savings account that is accessible only to pay for the cost
33 of attendance at a public or private nonprofit two-year or four-year college
34 or university in Arkansas is a use of lottery proceeds in accordance with
35 Arkansas Constitution, Article 19, § 14; and

36 (3) Establishing with lottery proceeds a college savings account



1 for an Arkansas citizen to be used to pay for the cost of attendance at a
 2 public or private nonprofit two-year or four-year college or university in
 3 Arkansas is the provision of a scholarship in accordance with Arkansas
 4 Constitution, Article 19, § 14.

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 6 SECTION 2. Arkansas Code Title 6 is amended to add an additional
 7 chapter to read as follows:

8 Chapter 86 – General Assembly Promise Lottery Scholarship Program

9
 10 6-86-101. Creation – Administration – Purpose.

11 There is created the General Assembly Promise Lottery Scholarship
 12 Program to be developed and administered by the Treasurer of State to provide
 13 a financial contribution to an account for each person born in this state on
 14 and after January 1, 2018, whose parent or legal guardian opts into the
 15 program.

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 17 6-86-102. Definition.

18 As used in this chapter:

19 (1)(A) “Foster care” means the care of a child on the basis of
 20 twenty-four (24) hours a day away from the home of the child’s parent.

21 (B) The foster care may be provided by:

22 (i) A relative of the child;

23 (ii) An individual not related to the child;

24 (iii) A parent of the child if the foster care is
 25 provided by reason of a court-ordered placement and not by virtue of the
 26 parent-child relationship;

27 (iv) A group home;

28 (v) A state agency;

29 (vi) A residential facility; or

30 (vii) Any other entity.

31 (2) “Foster care” does not include placement of a foster-care
 32 recipient with any individual or entity under subdivision (1)(B)(ii) of this
 33 section by a parent if a child welfare agency or court is not involved with
 34 the parent or foster-care recipient through an open case or investigation.

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 36 6-86-103. General Assembly Promise Lottery Scholarship Program.

1 (a)(1) The General Assembly Promise Lottery Scholarship Program shall
2 provide a financial contribution to an account for each person born in this
3 state on and after January 1, 2018, whose parent or legal guardian opts into
4 the program on a timeline developed by the Treasurer of State.

5 (2) A person in foster care may opt into the program under
6 subdivision (a)(1) of this section at any time.

7 (b)(1) A person on whose behalf a financial contribution was made
8 under subdivision (a)(1) of this section may access funds from the account:

9 (A) Only for the purpose of financing the person's cost of
10 attendance at an institution of higher education in this state; and

11 (B) Until the person reaches twenty-two (22) years of age.

12 (2) The funds a person may access under subdivision (b)(1) of
13 this section are:

14 (A) The original contribution made on behalf of the person
15 under subdivision (a)(1) of this section; and

16 (B) Any investment revenue derived from the original
17 contribution.

18 (3) If a person does not access the funds before he or she
19 reaches twenty-two (22) years of age, the funds shall be forfeited and become
20 part of the funds available under § 6-86-105(a)(1) for financial
21 contributions.

22 (c) When a person elects to access the funds from the account to
23 finance the person's cost of attendance at an institution of higher education
24 in this state, the funds shall be disbursed to the institution of higher
25 education in which the person is enrolled.

26 (d)(1) The disbursement of funds under this chapter is subject to the
27 prohibition under § 6-80-105 against using public funds in a student
28 financial package in excess of the recognized cost of attendance at the
29 institution of higher education in this state where the student is enrolled.

30 (2) Any funds under this chapter determined to be excess funds
31 shall be forfeited and become part of the funds available under § 6-86-
32 105(a)(1) for financial contributions.

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34 6-86-104. Account administration.

35 The Treasurer of State may:

36 (1) Enter into agreements with financial institutions or other

1 entities to:

2 (A) Manage and administer the account under § 6-86-
 3 103(a)(1); and

4 (B) Perform other services necessary to implement this
 5 chapter; and

6 (2) Conduct outreach and engage in educational activities with
 7 the general public to encourage financial literacy.

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 9 6-86-105. Contributions.

10 (a) Annually by February 15, the Treasurer of State shall:

11 (1) Based on the amount of funds available, determine the amount
 12 of the financial contribution to be made for each person who opted into the
 13 General Assembly Promise Lottery Scholarship Program under § 6-86-103(a)
 14 during the previous year; and

15 (2) Make the financial contribution for each person who opted
 16 into the program under § 6-86-103(a) during the previous year.

17 (b)(1) The amount of the financial contribution shall be the same for
 18 each person who opted into the program under § 6-86-103(a) during a calendar
 19 year.

20 (2) The amount of the financial contribution for each person who
 21 opted into the program shall not exceed one hundred dollars (\$100).

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 23 6-86-106. Information sharing.

24 The Department of Health and the Department of Human Services shall
 25 share information with the Treasurer of State necessary for the Treasurer of
 26 State to implement this chapter, including without limitation records related
 27 to:

28 (1) The births of children in this state; and

29 (2) Foster children in this state.

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 31 6-86-107. Funding.

32 The Treasurer of State may accept gifts, grants, donations, and
 33 bequests on behalf of the General Assembly Promise Lottery Scholarship
 34 Program to support and provide funding assistance to the program.

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 36 6-86-108. Report.

1 (a) The Treasurer of State shall submit annually by March 15 a report
2 on the operation and financial condition of the General Assembly Promise
3 Lottery Scholarship Program to the Senate Committee on Education and House
4 Committee on Education.

5 (b) The report under subsection (a) of this section may be submitted
6 electronically.

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8 6-86-109. Rules.

9 The Treasurer of State shall adopt rules to implement this chapter.

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11 SECTION 3. DO NOT CODIFY. Implementation date – General Assembly
12 Promise Lottery Scholarship Program.

13 The General Assembly Promise Lottery Scholarship Program shall be
14 implemented beginning January 1, 2018.

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