

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

# A Bill

HOUSE BILL 1825

5 By: Representative Payton  
6

## For An Act To Be Entitled

8 AN ACT TO ENCOURAGE THE WISE USE OF RESOURCES BY  
9 RECIPIENTS OF PUBLIC ASSISTANCE; TO PROVIDE THAT A  
10 PERSON WHO IS RECEIVING PUBLIC ASSISTANCE AND WHO  
11 WINS A LOTTERY PRIZE OF FIVE HUNDRED DOLLARS (\$500)  
12 OR MORE SHALL REIMBURSE THE DEPARTMENT OF HUMAN  
13 SERVICES; AND FOR OTHER PURPOSES.  
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## Subtitle

16 TO PROVIDE THAT A PERSON WHO IS RECEIVING  
17 PUBLIC ASSISTANCE AND WHO WINS A LOTTERY  
18 PRIZE SHALL REIMBURSE THE DEPARTMENT OF  
19 HUMAN SERVICES.  
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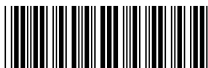
23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. Arkansas Code Title 20, Chapter 76, Subchapter 2, is  
26 amended to add an additional section to read as follows:

27 20-76-216. Notice that lottery prizes are subject to reimbursement.

28 (a) The Department of Human Services shall provide notice to a person  
29 receiving public assistance under this chapter that if the person is  
30 receiving public assistance at the time of purchasing a ticket or lottery  
31 game that results in winning a lottery prize, the amount in excess of five  
32 hundred dollars (\$500) of the lottery prize is subject to reimbursement to  
33 the program from which the person received public assistance up to the amount  
34 the person has received in public assistance benefits during the ten (10)  
35 years preceding the date the person purchased the ticket or lottery game.

36 (b) A person receiving the notice under subsection (a) of this section



1 shall sign a form developed by the department acknowledging receipt of the  
2 notice.

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4 SECTION 2. Arkansas Code § 23-115-103(22), concerning the definition  
5 of "operating expenses" in the Arkansas Scholarship Lottery Act, is amended  
6 to add an additional subdivision to read as follows:

7 (M) Amounts from lottery prizes that are reimbursed under  
8 § 23-115-403(h).

9  
10 SECTION 3. Arkansas Code § 23-115-403, concerning restrictions on  
11 lottery prizes, is amended to add an additional subsection to read as  
12 follows:

13 (h)(1) A person who is receiving public assistance at the time of  
14 purchasing a ticket or lottery game that results in winning a lottery prize  
15 of more than five hundred dollars (\$500) shall reimburse the program from  
16 which the person received public assistance from the person's winnings in  
17 excess of five hundred dollars (\$500) up to the amount the person has  
18 received in public assistance benefits during the ten (10) years preceding  
19 the date the person purchased the ticket or lottery game.

20 (2)(A) Before distributing a lottery prize, the office shall  
21 consult with the Department of Human Services to ascertain:

22 (i) Whether the person was receiving public  
23 assistance at the time of purchasing a ticket or lottery game that results in  
24 winning a lottery prize; and

25 (ii) How much public assistance under § 20-76-101 et  
26 seq. the person received during the preceding ten (10) years.

27 (B) The office shall enter into an agreement with the  
28 department that sets forth the procedures for:

29 (i) Sharing the information necessary under  
30 subdivision (h)(2)(A) of this section;

31 (ii) Reimbursing the department under subdivision  
32 (h)(1) of this section; and

33 (iii) Crediting the reimbursement to the amount the  
34 person has received in public assistance within the preceding ten (10) years.

35 (3)(A)(i) If the office determines under subdivision (h)(2) of  
36 this section that the person redeeming a lottery prize was receiving public

1 assistance at the time of purchasing a ticket or lottery game that results in  
2 winning a lottery prize, then the office shall transfer from the person's  
3 lottery prize to the department for deposit into the appropriate fund for the  
4 program from which the person received public assistance up to the amount the  
5 person has received in public assistance benefits during the preceding ten  
6 (10) years.

7 (ii) A previous reimbursement to the department made  
8 under this subsection within the preceding ten (10) years for a person shall  
9 be credited to the amount the person has received in public assistance within  
10 the preceding ten (10) years.

11 (B) The office shall only reimburse the department from a  
12 person's lottery prize under subdivision (b)(1) of this section if the  
13 lottery prize is more than five hundred dollars (\$500).

14 (C) If the person owes any taxes as the result of winning  
15 the lottery prize, the person shall be allowed to keep an amount from the  
16 person's winnings in excess of five hundred dollars (\$500) equal to the  
17 amount of taxes owed.

18 (4)(A) The office shall send notice to the person whose lottery  
19 prize was reimbursed to the program administered by the department by  
20 certified mail, return receipt requested, of the action and the reason the  
21 lottery prize was reimbursed to the department.

22 (B) If the person appears to claim a lottery prize in  
23 person, the office shall notify the person at that time by hand delivery of  
24 the action.

25 (5) The office is not required to reimburse the department from  
26 lottery prizes paid out by retailers or entities other than the office.

27 (6) The department shall provide the office with the information  
28 necessary to implement this section.

29 (7) The following shall be satisfied before the office makes a  
30 reimbursement under this subsection:

31 (A) Attachments, garnishments, or executions under  
32 subsection (b) of this section; and

33 (B) A valid lien against a lottery prize under § 23-115-  
34 1004.

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