

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

As Engrossed: H3/3/17 H3/10/17

A Bill

HOUSE BILL 1825

5 By: Representatives Payton, Ballinger, Beck, Boyd, Cozart, C. Douglas, Farrer, Gates, Gonzales,
6 Hammer, G. Hodges, Holcomb, Jean, Lemons, Lundstrum, Lynch, McCollum, McNair, D. Meeks, S.
7 Meeks, Petty, Richmond, B. Smith, Speaks, Sullivan, Tosh, Womack, Miller
8 By: Senator Collins-Smith
9

For An Act To Be Entitled

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

Subtitle

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

30 20-76-216. Notice that lottery prizes are subject to reimbursement.

31 (a) The Department of Human Services shall provide notice to a person
32 receiving public assistance under this chapter that if the person is
33 receiving public assistance from the State of Arkansas at the time of
34 purchasing a ticket or lottery game that results in winning a lottery prize,
35 the amount in excess of five hundred dollars (\$500) of the lottery prize is
36 subject to reimbursement to the program from which the person received public



1 assistance up to the amount the person has received in public assistance from
2 the State of Arkansas during the ten (10) years preceding the date the person
3 purchased the ticket or lottery game.

4 (b) A person receiving the notice under subsection (a) of this section
5 shall sign a form developed by the department acknowledging receipt of the
6 notice.

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

11 (M) Amounts from lottery prizes that are reimbursed under
12 § 23-115-403(h).

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14 SECTION 3. Arkansas Code § 23-115-403, concerning restrictions on
15 lottery prizes, is amended to add an additional subsection to read as
16 follows:

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

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

27 (i) Whether the person was receiving public
28 assistance from the State of Arkansas at the time of purchasing a ticket or
29 lottery game that results in winning a lottery prize; and

30 (ii) How much public assistance under § 20-76-101 et
31 seq. the person received from the State of Arkansas during the preceding ten
32 (10) years.

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

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

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

3 (iii) Crediting the reimbursement to the amount the
4 person has received in public assistance from the State of Arkansas during
5 the preceding ten (10) years.

6 (3)(A)(i) If the office determines under subdivision (h)(2) of
7 this section that the person redeeming a lottery prize was receiving public
8 assistance from the State of Arkansas at the time of purchasing a ticket or
9 lottery game that results in winning a lottery prize, then the office shall
10 transfer from the person's lottery prize to the department for deposit into
11 the appropriate fund for the program from which the person received public
12 assistance up to the amount the person has received in public assistance from
13 the State of Arkansas during the preceding ten (10) years.

14 (ii) A previous reimbursement to the department made
15 under this subsection within the preceding ten (10) years for a person shall
16 be credited to the amount the person has received in public assistance from
17 the State of Arkansas within the preceding ten (10) years.

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

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

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

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

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

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

36 (7) The following shall be satisfied before the office makes a

1 reimbursement under this subsection:

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

4 (B) A valid lien against a lottery prize under § 23-115-
5 1004.

6 (8) The reimbursement under this subsection shall be only for
7 the portion of the public assistance the person received that was paid by the
8 State of Arkansas.

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10 /s/Payton

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