

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

As Engrossed: S3/9/11
A Bill

SENATE BILL 909

5 By: Senator J. Key
6 By: Representative Perry
7

For An Act To Be Entitled

9 AN ACT TO AMEND PROVISIONS OF THE ARKANSAS
10 SCHOLARSHIP LOTTERY ACT CONCERNING SCHOLARSHIP AWARD
11 AMOUNTS AND MANAGEMENT OF CERTAIN CAPITAL ASSETS OF
12 THE ARKANSAS LOTTERY *COMMISSION; TO DECLARE AN*
13 *EMERGENCY; AND FOR OTHER PURPOSES.*
14
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Subtitle

16
17 *TO AMEND PROVISIONS OF THE ARKANSAS*
18 *SCHOLARSHIP LOTTERY ACT CONCERNING*
19 *SCHOLARSHIP AWARD AMOUNTS AND MANAGEMENT*
20 *OF CERTAIN CAPITAL ASSETS OF THE ARKANSAS*
21 *LOTTERY COMMISSION; AND TO DECLARE AN*
22 *EMERGENCY.*
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 6-85-212(e), concerning the award amounts
28 for the Arkansas Academic Challenge Scholarship Program -- Part 2, is amended
29 to read as follows:

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

35 (B)(i) ~~The Department of Higher Education shall award an~~
36 ~~aggregate amount of scholarship awards to current achiever students beginning~~



1 ~~with the 2010-2011 academic year of up to forty one million five hundred~~
2 ~~thousand dollars (\$41,500,000).~~

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

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

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

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

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

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

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

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

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

35 (B) Three-quarters ($\frac{3}{4}$) of the award amount for a full-time
36 student recipient, if the recipient is enrolled in at least nine (9) semester

1 hours but less than the number of hours required for a full-time student
2 recipient.

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

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

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

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

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

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

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

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

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

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

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

29 (C) Instituting player incentives for an individual game;

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

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

34 (29)(A) "Unclaimed lottery prize money" means a lottery prize
35 expense on the financial books of the commission that is released from the
36 expense category when a lottery prize is not claimed within the required

1 claim period for the game during a fiscal year.

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

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

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

10
11 SECTION 3. Arkansas Code § 23-115-403(g), concerning unclaimed lottery
12 prize money, is amended to read as follows:

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

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

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

21 (C) Prize promotion.

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

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

29 (A) Unclaimed lottery prize money;

30 (B) Expenditures from unclaimed lottery prize money; and

31 (C) Deposits to net lottery proceeds from unclaimed
32 lottery prize money.

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34 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
35 General Assembly of the State of Arkansas that increasing the number of
36 Arkansans who obtain postsecondary credentials is critical to the economic

1 health of the state and its citizens; that the Arkansas Scholarship Lottery
2 provides the opportunity for tens of thousands of Arkansans to obtain
3 postsecondary education; that the deadline for scholarship applications is
4 June 1; that the financial integrity of the Arkansas Scholarship Lottery is
5 critical to the continued existence of the scholarships; that the reporting
6 and research provisions of this act are critical for timely decisions by the
7 General Assembly on scholarship awards; and that this act is immediately
8 necessary because the Department of Higher Education must promulgate rules to
9 implement this act well before June 1, 2011, in order to provide eligible
10 Arkansans the opportunity to apply for the scholarship. Therefore, an
11 emergency is declared to exist and this act being immediately necessary for
12 the preservation of the public peace, health, and safety shall become
13 effective on:

14 (1) The date of its approval by the Governor;

15 (2) If the bill is neither approved nor vetoed by the Governor,
16 the expiration of the period of time during which the Governor may veto the
17 bill; or

18 (3) If the bill is vetoed by the Governor and the veto is
19 overridden, the date the last house overrides the veto.

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21 /s/J. Key
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