

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

As Engrossed: H3/3/17

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

For An Act To Be Entitled

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

Subtitle

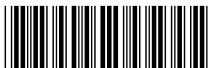
18 TO PROVIDE THAT A PERSON WHO IS RECEIVING
19 PUBLIC ASSISTANCE AND WHO WINS A LOTTERY
20 PRIZE SHALL REIMBURSE THE DEPARTMENT OF
21 HUMAN SERVICES.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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27 SECTION 1. Arkansas Code Title 20, Chapter 76, Subchapter 2, is
28 amended to add an additional section to read as follows:

29 20-76-216. Notice that lottery prizes are subject to reimbursement.

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



1 years preceding the date the person purchased the ticket or lottery game.

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

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

9 (M) Amounts from lottery prizes that are reimbursed under
10 § 23-115-403(h).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

35 (B) A valid lien against a lottery prize under § 23-115-
36 1004.

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/s/Payton