

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
Regular Session, 2013

As Engrossed: S1/30/13 S2/7/13
A Bill

SENATE BILL 119

By: Senator R. Thompson
By: Representative Broadway

For An Act To Be Entitled

AN ACT TO ESTABLISH A PRIZE-LINKED SAVINGS ACCOUNT
PROGRAM OPERATED BY THE ARKANSAS LOTTERY COMMISSION;
AND FOR OTHER PURPOSES.

Subtitle

ARKANSAS PRIZE-LINKED SAVINGS ACCOUNT ACT
OF 2013.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 23-115-103(12)(A) and (B), concerning the definition of "lottery" under the Arkansas Scholarship Lottery Act, are amended to read as follows:

(12)(A) "Lottery" means a game of chance approved by the Arkansas Lottery Commission and operated under this chapter.

(B) "Lottery" includes without limitation:

- (i) An instant ticket;
- (ii) A draw game;
- (iii) Participation in a multistate or
multisovereign game; ~~and~~
- (iv) A raffle; and
- (v) A prize-linked savings account program.

SECTION 2. Arkansas Code § 23-115-103(13), concerning the definition of "lottery proceeds" under the Arkansas Scholarship Lottery Act, is amended to read as follows:



(13) "Lottery proceeds" means all:

(A) ~~revenue~~ Revenue derived from the sale of tickets or shares; and

(B) ~~all other~~ Other moneys derived from or in connection with the operation of a lottery, including without limitation:

(i) ~~fees~~ Fees, offsets, reimbursements, insurance proceeds, damages, and liquidated damages collected or imposed by the Arkansas Lottery Commission under this chapter; and

(ii) Interest credited to the Arkansas Lottery Commission under a prize-linked savings account program;

SECTION 3. Arkansas Code Title 23, Chapter 115, Subchapter 4 is amended to add an additional section to read as follows:

23-115-411. Prize-linked savings account program.

(a) As used in this section:

(1) "Minimum savings account deposit" means an amount of not less than twenty-five dollars (\$25.00) that the Arkansas Lottery Commission deposits on behalf of a patron into a prize-linked savings account;

(2) "Patron" means an individual:

(A) Who validly purchases a ticket in a prize-linked savings account program; and

(B) On whose behalf funds are deposited into a prize-linked savings account;

(3) "Prize-linked savings account" means a savings account, certificate of deposit, or other interest-bearing savings program at a financial institution:

(A) Into which deposits are made from the prize-linked savings account program operated by the commission;

(B) In which the deposits are held in trust on behalf of each individual patron; and

(C) From which the interest earned is paid to the commission for the operation of the prize-linked savings account program; and

(4) "Savings ticket" is a ticket or share validly purchased by a player in a prize-linked savings account program.

(b) The commission may establish a prize-linked savings account program through a lottery game that:

(1) Is designed and marketed specifically for the prize-linked savings account program;

(2) Awards to patrons monthly prizes and annual prizes;

(3) Provides an opportunity for a player to become a patron by purchasing a savings ticket and registering that ticket with the commission;
and

(4) Provides that the commission shall deposit the value of a registered savings ticket into a prize-linked savings account on behalf of a patron.

(c)(1) A patron at any time may withdraw funds on deposit for the patron in a prize-linked savings account, but the withdrawal may affect the patron's eligibility for receiving a prize from the program.

(2) The program may provide incentives for patrons to:

(A) Retain the funds in the prize-linked savings account;
and

(B) Deposit cash winnings from the program into the prize-linked savings account.

(d) A prize-linked savings account shall bear interest at a rate that is equal to the interest paid by the depository institution for a comparable savings account, certificate of deposit, or other savings program offered at the depository institution.

(e) This program does not waive the provisions of § 23-115-207(a)(2)(B) requiring the sales of tickets or shares for cash only.

/s/R. Thompson