

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

As Engrossed: H1/30/25
A Bill

HOUSE BILL 1044

5 By: Representatives Hawk, Achor, Duffield, Brooks, Maddox, Ray, L. Johnson
6 By: Senators J. Dismang, J. Boyd, M. McKee
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW REGARDING RAFFLES; TO PROVIDE
10 THAT THE CHARITABLE BINGO AND RAFFLES ENABLING ACT
11 DOES NOT REGULATE CERTAIN RAFFLES CONDUCTED BY
12 INSTITUTIONS OF HIGHER EDUCATION OR AFFILIATED
13 NONPROFIT ORGANIZATIONS; TO ESTABLISH THE ARKANSAS
14 SPORTS RAFFLE ACT; TO AMEND THE LAW REGARDING
15 ALCOHOLIC BEVERAGES TO ADD THE ARKANSAS SPORTS RAFFLE
16 ACT AS AN EXCEPTION TO VARIOUS PROHIBITED PRACTICES;
17 TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.
18
19

Subtitle

20
21 TO ESTABLISH THE ARKANSAS SPORTS RAFFLE
22 ACT; AND TO DECLARE AN EMERGENCY.
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code § 23-114-103(c), concerning general
27 provisions under the Charitable Bingo and Raffles Enabling Act, is amended to
28 read as follows:

29 (c)(1) The provisions of this chapter are not intended and shall not
30 be construed to allow the play of games of bingo or raffles through any
31 electronic device or machine.

32 (2) This chapter shall not regulate, limit, or prohibit an
33 institution of higher education or its affiliated nonprofit organization from
34 conducting raffles for charitable, philanthropic, or educational purposes in
35 accordance with the Arkansas Sports Raffle Act, § 23-120-101 et seq.
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1 SECTION 2. Arkansas Code Title 23 is amended to add an additional
2 chapter to read as follows:

3
4 CHAPTER 120
5 ARKANSAS SPORTS RAFFLE ACT

6
7 23-120-101. Title.

8 This chapter shall be known and may be cited as the "Arkansas Sports
9 Raffle Act".

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11 23-120-102. Legislative findings.

12 The General Assembly finds that:

13 (1) It is in the public interest for an institution of higher
14 education and its affiliated nonprofit organizations to conduct raffles for
15 educational, charitable, or philanthropic purposes; and

16 (2) The use of raffle funds by an institution of higher
17 education and its affiliated nonprofit organizations for the purposes
18 provided in this chapter will support philanthropic purposes by:

19 (A) Raising the public image of the institution of higher
20 education, which will attract more student-athletes and other students to the
21 institution of higher education's educational programs;

22 (B) Supporting student-athletes and providing financial
23 resources to advance the educational endeavors of the student-athletes; and

24 (C) Increasing the exposure of the institution of higher
25 education to the public, which will attract additional financial support for
26 academic programs at the institution of higher education.

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28 23-120-103. Definitions.

29 As used in this chapter:

30 (1) "Affiliated nonprofit organization" means an organization
31 established by or an authorized affiliate of an institution of higher
32 education within the State of Arkansas that:

33 (A) Was created for the purpose of raising funds for the
34 institution of higher education's collegiate athletic program;

35 (B) Has been approved for tax-exempt status under the
36 Internal Revenue Code, 26 U.S.C. § 501(c)(3), as in effect on January 1,

1 2025; and

2 (C) Has been in continuing existence as a nonprofit tax-
3 exempt organization in the State of Arkansas at least five (5) years
4 immediately prior to conducting a raffle;

5 (2) "Qualifying organization" means an institution of higher
6 education within the State of Arkansas or an affiliated nonprofit
7 organization; and

8 (3) "Raffle" means the selling of tickets or chances to win a
9 prize awarded through a random drawing.

10
11 23-120-104. Conducting raffles.

12 (a) A qualifying organization is authorized to conduct a raffle under
13 this chapter.

14 (b) A raffle conducted by a qualifying organization under this
15 chapter:

16 (1) May be conducted on:

17 (A) A digital or electronic device;

18 (B) An online platform, website, or software application;

19 or

20 (C) Any premises owned, leased, or otherwise utilized by a
21 qualifying organization; and

22 (2) Shall be:

23 (A) Based on an official game or sporting event between a
24 qualifying organization's collegiate athletic team and an opposing
25 institution of higher education's collegiate athletic team; and

26 (B) Limited to one (1) raffle per official game or
27 sporting event.

28 (c) A qualifying organization conducting a raffle under this chapter:

29 (1) May determine what method of payment the qualifying
30 organization will accept in exchange for a raffle ticket;

31 (2) Shall designate the prize amount or division of receipts of
32 a raffle; and

33 (3) Shall publicly announce the prize amount or division of
34 receipts of a raffle prior to the sale of the raffle ticket.

35 (d) A qualifying organization may utilize receipts from the raffle for
36 the following purposes:

1 (1) Payment of prizes designated for the raffle;

2 (2) Payment of administrative costs, fees, or expenses to
3 operate, conduct, advertise, and promote the raffle under this section;

4 (3) Purchase of software, technology, supplies, or equipment to
5 operate, conduct, advertise, and promote the raffle under this section;

6 (4) Provision of scholarships, financial aid, stipends, or other
7 compensation to a student-athlete attending the institution of higher
8 education;

9 (5) Compensation of a student-athlete for the commercial use of
10 his or her publicity rights in accordance with the Arkansas Student-Athlete
11 Publicity Rights Act, § 4-75-1301 et seq.;

12 (6) General support of the institution of higher education's
13 athletics teams or programs; and

14 (7) Purchase, maintenance, repair, debt service, or construction
15 of the institution of higher education's collegiate athletic property,
16 facilities, or equipment.

17 (e) If a qualifying organization elects to allow credit cards as a
18 method of payment under subsection (c) of this section, there shall be a cap
19 of two hundred fifty dollars (\$250) per transaction.

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21 23-120-105. Limitation on use of funds.

22 Receipts from a raffle shall not be used to compensate a person who
23 works for or is affiliated with the qualifying organization that conducts the
24 raffle.

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26 23-120-106. Unclaimed raffle prizes.

27 A raffle prize that is unclaimed by a winner within one hundred twenty
28 (120) days of the raffle shall be retained by the institution of higher
29 education for which the raffle was conducted.

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31 23-120-107. Restrictions.

32 (a) A person under eighteen (18) years of age shall not purchase a
33 raffle ticket.

34 (b) A casino licensee or an agent of a casino licensee shall not act
35 as a third-party operator or otherwise administer a raffle on behalf of the
36 qualifying organization.

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SECTION 3. Arkansas Code § 3-4-403(19)(B), concerning the exception from the Class A permit violation for conducting or permitting gambling on premises with an alcoholic beverage permit, is amended to read as follows:

(B) Conducting or permitting gambling under subdivision (19)(A) of this section does not include:

(i) Charitable bingo and raffles under the Charitable Bingo and Raffles Enabling Act, § 23-114-101 et seq.; ~~or~~

(ii) A lottery under the Arkansas Scholarship Lottery Act, § 23-115-101 et seq.; or

(iii) A raffle conducted under the Arkansas Sports Raffle Act, § 23-120-101 et seq.;

SECTION 4. Arkansas Code § 3-5-221(d)(1)(A)(ii), concerning exceptions to the crime of gambling on the premises of a holder of a beer and light wine license, is amended to read as follows:

(ii) Forms of gambling under subdivision (d)(1)(A)(i) of this section do not include:

(a) Charitable bingo and raffles under the Charitable Bingo and Raffles Enabling Act, § 23-114-101 et seq.; ~~or~~

(b) A lottery under the Arkansas Scholarship Lottery Act, § 23-115-101 et seq.; or

(c) A raffle conducted under the Arkansas Sports Raffle Act, § 23-120-101 et seq.;

SECTION 5. Arkansas Code § 3-5-307(5)(B), concerning exceptions to prohibited practices related to gambling on the premises of a holder of a beer retailer license, is amended to read as follows:

(B) Permitting gambling or games of chance under subdivision (5)(A) of this section does not include:

(i) Charitable bingo and raffles under the Charitable Bingo and Raffles Enabling Act, § 23-114-101 et seq.; ~~or~~

(ii) A lottery under the Arkansas Scholarship Lottery Act, § 23-115-101 et seq.; or

(iii) A raffle conducted under the Arkansas Sports Raffle Act, § 23-120-101 et seq.;

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2 SECTION 6. Arkansas Code § 3-9-236(15)(C), concerning exceptions to
3 the crime of allowing gambling on the premises of a holder of a permit for
4 on-premises consumption of alcohol, is amended to read as follows:

5 (C) A gambling or a gaming device, machine, or apparatus
6 under subdivision (15)(A) of this section does not include:

7 (i) Charitable bingo and raffles under the
8 Charitable Bingo and Raffles Enabling Act, § 23-114-101 et seq.; ~~or~~

9 (ii) A lottery under the Arkansas Scholarship
10 Lottery Act, § 23-115-101 et seq.; or

11 (iii) A raffle conducted under the Arkansas Sports
12 Raffle Act, § 23-120-101 et seq.;
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14 SECTION 7. EMERGENCY CLAUSE. It is found and determined by the
15 General Assembly of the State of Arkansas that institutions of higher
16 education and their affiliated nonprofit organizations are intertwined with
17 economic development, the education of student-athletes, commerce, and other
18 governmental interests that otherwise impact the State of Arkansas; that the
19 current prohibitions on institutions of higher education and their affiliated
20 nonprofit organizations from conducting raffles for educational, charitable,
21 or philanthropic purposes hinder institutions of higher education and their
22 student-athletes, which thereby hinder economic development, education, and
23 commerce in the State of Arkansas; and that this act is immediately necessary
24 to ensure that institutions of higher education and their affiliated
25 nonprofit organizations can financially support their student-athletes and
26 athletic programs, which will bolster economic development, education, and
27 commerce in the State of Arkansas. Therefore, an emergency is declared to
28 exist, and this act being immediately necessary for the preservation of the
29 public peace, health, and safety shall become effective on:

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

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

34 (3) If the bill is vetoed by the Governor and the veto is
35 overridden, the date the last house overrides the veto.
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/s/Hawk