

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

A Bill

HOUSE BILL 1634

5 By: Representatives Hawk, M. Shepherd, Eubanks, Evans, Achor, Duffield, Brooks, Maddox, Ray, L.
6 Johnson

7 By: Senators J. Dismang, Hester, J. Boyd, M. McKee
8

For An Act To Be Entitled

10 AN ACT TO AMEND THE LAW REGARDING RAFFLES; TO PROVIDE
11 THAT THE CHARITABLE BINGO AND RAFFLES ENABLING ACT
12 DOES NOT REGULATE CERTAIN RAFFLES CONDUCTED BY
13 INSTITUTIONS OF HIGHER EDUCATION OR AFFILIATED
14 NONPROFIT ORGANIZATIONS; TO ESTABLISH THE ARKANSAS
15 SPORTS RAFFLE ACT; TO AMEND THE LAW REGARDING
16 ALCOHOLIC BEVERAGES TO ADD THE ARKANSAS SPORTS RAFFLE
17 ACT AS AN EXCEPTION TO VARIOUS PROHIBITED PRACTICES;
18 TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.
19
20

Subtitle

21 TO ESTABLISH THE ARKANSAS SPORTS RAFFLE
22 ACT; AND TO DECLARE AN EMERGENCY.
23
24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
26

27 SECTION 1. Arkansas Code § 23-114-103(c), concerning general
28 provisions under the Charitable Bingo and Raffles Enabling Act, is amended to
29 read as follows:

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

33 (2) This chapter shall not regulate, limit, or prohibit an
34 institution of higher education or its affiliated nonprofit organization from
35 conducting raffles for charitable, philanthropic, or educational purposes in
36 accordance with the Arkansas Sports Raffle Act, § 23-120-101 et seq.



1
 2 SECTION 2. Arkansas Code Title 23 is amended to add an additional
 3 chapter to read as follows:

4
 5 CHAPTER 120
 6 ARKANSAS SPORTS RAFFLE ACT

7
 8 23-120-101. Title.

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

11
 12 23-120-102. Legislative findings.

13 The General Assembly finds that:

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

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

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

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

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

28
 29 23-120-103. Definitions.

30 As used in this chapter:

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

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

36 (B) Has been approved for tax-exempt status under the

1 Internal Revenue Code, 26 U.S.C. § 501(c)(3), as in effect on January 1,
2 2025; and

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

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

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

11
12 23-120-104. Conducting raffles.

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

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

17 (1) May be conducted on:

18 (A) A digital or electronic device;

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

20 or

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

23 (2) Shall be:

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

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

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

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

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

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

36 (d) A qualifying organization may utilize receipts from the raffle for

1 the following purposes:

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

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

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

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

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

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

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

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

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22 23-120-105. Limitation on use of funds.

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

26
27 23-120-106. Unclaimed raffle prizes.

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

31
32 23-120-107. Restrictions.

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

35 (b) A qualifying organization shall conduct reasonable age
36 verification.

1 (c) A third party shall not conduct or otherwise administer a raffle
 2 on behalf of a qualifying organization.

3 (d) A raffle conducted under this chapter is governed by Arkansas
 4 Constitution, Amendment 84.

5
 6 23-120-108. Rules.

7 The Secretary of the Department of Finance and Administration may
 8 promulgate rules for the enforcement of this chapter.

9
 10 SECTION 3. Arkansas Code § 3-4-403(19)(B), concerning the exception
 11 from the Class A permit violation for conducting or permitting gambling on
 12 premises with an alcoholic beverage permit, is amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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 22 SECTION 7. EMERGENCY CLAUSE. It is found and determined by the
 23 General Assembly of the State of Arkansas that institutions of higher
 24 education and their affiliated nonprofit organizations are intertwined with
 25 economic development, the education of student-athletes, commerce, and other
 26 governmental interests that otherwise impact the State of Arkansas; that the
 27 current prohibitions on institutions of higher education and their affiliated
 28 nonprofit organizations from conducting raffles for educational, charitable,
 29 or philanthropic purposes hinder institutions of higher education and their
 30 student-athletes, which thereby hinder economic development, education, and
 31 commerce in the State of Arkansas; and that this act is immediately necessary
 32 to ensure that institutions of higher education and their affiliated
 33 nonprofit organizations can financially support their student-athletes and
 34 athletic programs, which will bolster economic development, education, and
 35 commerce in the State of Arkansas. Therefore, an emergency is declared to
 36 exist, and this act being immediately necessary for the preservation of the

1 public peace, health, and safety shall become effective on:

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

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

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

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