

Hall of the House of Representatives
84th General Assembly - Regular Session, 2003
Amendment Form

Subtitle of House Bill No. 2895

"AN ACT TO REQUIRE STUDENTS RECEIVING STATE SUPPORTED SCHOLARSHIPS
TO COMPLETE A DEGREE PROGRAM WITHIN SIX (6) YEARS."

Amendment No. 1 to House Bill No. 2895.

Amend House Bill No. 2895 as originally introduced:

Delete everything following the enacting clause and substitute the following:

"SECTION 1. Arkansas Code Title 6, Chapter 82, Subchapter 10 is amended to add an additional section to read as follows:

6-82-1008. Repayment obligation in certain cases.

(a)(1) It shall be a condition of the receipt of an Arkansas Academic Challenge Scholarship that a recipient complete graduation requirements from an approved institution or a nursing institution as set forth in § 6-82-1007, and comply with all of the other provisions of this act and the scholarship.

(2) If, on a date which is six (6) years from the date any recipient first received any funds under this scholarship, the person fails to complete all requirements of the approved institution or nursing program for graduation, then the recipient shall be obligated to repay to the State of Arkansas all funds received by the recipient, or paid by the State of Arkansas to any person, entity or institution for or on behalf of the recipient under this scholarship program.

(b)(1) The repayment of funds under the foregoing provision shall commence on a date that is not more than ninety (90) days after the end of the six-year period. All sums shall be repaid to the State of Arkansas by the person over a period of five (5) years with interest, as determined by the Arkansas Student Loan Authority at the time of loan approval.

(2) Any repayment shall cease in the event of the death of the recipient.

(c) From and after the date of this act, the Arkansas Student Loan Authority shall do the following:

(1) Compile and maintain a current list of all recipients who receive Arkansas Academic Challenge Scholarships who are subject to the provisions of this act;

(2) Maintain all permanent records from the scholarship program for each recipient, including distributing and obtaining from the recipient or the recipient's parents or guardian the disclosure under subsection (e)(1) of this section, the promissory note, as well as any notes evidencing repayment, and all correspondence to or from each recipient;



(3) Maintain a current balance of all amounts paid to, or on behalf of, the recipient;

(4) Monitor the funds paid under the program; and

(5) Present to the Legislative Council not later than July 1 of each year, a report of the program and all funds repaid for the prior academic year.

(d) Any funds repaid under the provisions of this act shall be deposited by the Arkansas Student Loan Authority into the Higher Education Grants Fund to be used to provide additional scholarships under this program.

(e) The Department of Higher Education shall develop rules and regulations to implement the foregoing provisions. These regulations shall include, but not be limited to, the following:

(1) A disclosure to the scholarship recipient, and if applicable the recipient's parents or guardians, of the provisions of this act concerning repayment and the six-year period from the first receipt of the funds to graduation;

(2) The forms and other materials necessary and required to administer the repayment of the scholarship funds, including any promissory notes or other obligations; and

(3) Circumstances in which the six-year period may be extended or waived, that shall include matters such as family emergencies, physical or mental disability, or military service."

The Amendment was read _____
By: Representative Haak
KAS/VJF - 032820031110
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Chief Clerk