

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

State of Arkansas  
84th General Assembly  
Regular Session, 2003

# A Bill

HOUSE BILL 2355

By: Representative Mahony

## For An Act To Be Entitled

AN ACT TO AMEND THE ACADEMIC CHALLENGE PROGRAM TO  
ALLOW AWARDS FOR APPLICANTS EXPRESSING AN INTENT  
TO TEACH IN AREAS OF CRITICAL NEED IN THE STATE;  
AND FOR OTHER PURPOSES.

## Subtitle

AN ACT TO AMEND THE ACADEMIC CHALLENGE  
PROGRAM TO ALLOW AWARDS FOR APPLICANTS  
EXPRESSING AN INTENT TO TEACH IN AREAS  
OF CRITICAL NEED IN THE STATE.

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

SECTION 1. Arkansas Code § 6-82-1001 is amended to read as follows:

6-82-1001. Legislative findings and declarations of public necessity.

The General Assembly hereby recognizes that taking the proper course work in high school is essential for success in college. Arkansas high school students who complete the recommended precollegiate or technical preparation core curriculum score significantly higher on standardized preadmissions tests and are more likely to be successful in college. Because the State of Arkansas also benefits from the academic success of well-prepared college students, there is hereby established the Arkansas Academic Challenge Scholarship Program, a college scholarship plan to promote academic achievement and encourage academically prepared Arkansas high school graduates to enroll in the state's colleges and universities, and to encourage students to enter the field of teaching for the purpose of teaching in areas of critical teacher shortage in the state.



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SECTION 2. Arkansas Code § 6-82-1002 is amended to read as follows:  
6-82-1002. Definitions.

For purposes of this subchapter, the following terms shall be defined as indicated:

(1)(A) "Approved institution" means a public or private college, university, or nursing school located in Arkansas that is approved by the Arkansas State Board of Nursing and only under the conditions set forth in § 6-82-1007 or accredited by the Commission on Institutions of Higher Education of the North Central Association or that certifies to the Department of Higher Education that its students are accepted for transfer at institutions accredited by the Commission on Institutions of Higher Education of the North Central Association.

(B) Furthermore, an approved institution shall not discriminate against applicants, students, or employees on the basis of race, color, religion, sex, age, disability, or national origin, consistent with the provisions of applicable state and federal law~~+~~.

(C) An institution admitting applicants under § 6-82-1005(c) or (d) shall have a teacher education program that is approved by the Department of Education and shall agree to waive out-of-state tuition requirements as a condition of approval for the program;

(2) "Eligible student" means any student who meets the criteria set out by this subchapter and who is deemed to be eligible by rules and regulations authorized by this subchapter and promulgated by the Department of Higher Education;

(3) "Financial need" means the family income of program applicants as determined by the Department of Higher Education through evaluation of program applications and supporting documentation;

(4) "Full-time undergraduate student" means a resident of Arkansas who attends an approved institution of higher education and who is enrolled for at least twelve (12) credit hours the first semester and fifteen (15) hours thereafter or the equivalent, as defined by the Department of Higher Education, in a program of study that leads to or is creditable toward a baccalaureate degree, an associate degree in nursing, or a nursing school diploma;

(5) "Recipient" means an applicant awarded a scholarship funded

1 through the Arkansas Academic Challenge Scholarship Program;

2 (6) "Tuition" means charges levied for attendance at an eligible  
3 institution of higher education, including mandatory fees charged to all  
4 full-time students by an approved institution; and

5 (7) "Unemancipated child" or "unemancipated children" means a  
6 dependent child or dependent children as defined by the United States  
7 Department of Education for student aid purposes.

8  
9 SECTION 3. Arkansas Code § 6-82-1004(g), concerning the authority of  
10 the Department of Higher Education with regard to the Arkansas Academic  
11 Challenge Scholarship Program, is amended to read as follows:

12 (g)(1) The Except as provided in subdivision (g)(2) of this  
13 subsection, the Department of Higher Education is authorized to determine the  
14 necessary procedures for the awarding of scholarships should the number of  
15 eligible applicants exceed the funds available.

16 (2) If the number of eligible applicants exceed the funds  
17 available, the Department of Higher Education shall make awards to applicants  
18 in the priority as set forth in section 7 of this subchapter.

19  
20 SECTION 4. Arkansas Code § 6-82-1005 is amended to read as follows:

21 6-82-1005. Eligibility.

22 (a) Eligibility for the Arkansas Academic Challenge Scholarship  
23 Program shall be based on the criteria set forth in this section as well as  
24 program rules and regulations adopted pursuant to this subchapter by the  
25 Department of Higher Education.

26 (b) An applicant shall be eligible for an award from this program if  
27 the applicant meets all of these criteria:

28 (1) The applicant graduated from an Arkansas high school on or  
29 after March 5, 1991;

30 (2) The applicant has been a resident of the State of Arkansas  
31 for at least twelve (12) months prior to graduation from an Arkansas high  
32 school, and the applicant's parent or parents or guardian or guardians have  
33 maintained Arkansas residency for the same period of time;

34 (3) The applicant is a citizen of the United States or is a  
35 permanent resident alien;

36 (4) The applicant is accepted for admission at an approved

1 institution of higher education as a full-time first-time freshman as defined  
2 by the department and enrolls in an approved institution within twelve (12)  
3 months of the applicant's high school graduation;

4 (5)(A)(i) Except as provided in subdivision (b)(5)(B) of this  
5 section, the applicant has successfully completed the core curriculum  
6 established by the State Board of Education and the Arkansas Higher Education  
7 Coordinating Board pursuant to § 6-61-217.

8 (ii) An applicant who graduates from an Arkansas  
9 high school after December 31, 2001, and who meets the provisions of  
10 subdivisions (b)(1)-(4) of this section but who has not completed the core  
11 curriculum defined in subdivision (b)(5)(A) of this section by the end of the  
12 senior year of high school due to the unavailability of the courses in the  
13 applicant's high school shall have a grace period of twelve (12) months from  
14 the date of high school graduation in which to make up any course  
15 deficiencies required for program eligibility; and

16 (B)(i) The applicant has demonstrated proficiency in the  
17 application of knowledge and skills in reading and writing literacy and  
18 mathematics by passing the end-of-course examinations as may be developed by  
19 the Department of Education and as may be designated by the Department of  
20 Higher Education for this purpose.

21 (ii) "End-of-course" examinations shall mean those  
22 examinations defined in § 6-15-419(4);

23 (6)(A) The applicant who graduates from an Arkansas high school  
24 after December 31, 2001, must have achieved the following:

25 (i) A grade point average of 3.0 on a 4.0 scale in  
26 the set of core curriculum courses if enrolling at an approved four-year  
27 institution; or

28 (ii) A grade point average of 2.75 on a 4.0 scale in  
29 the set of core curriculum courses if enrolling at an approved two-year  
30 institution.

31 (iii)(a) These revised grade point average  
32 requirements may be reduced to no lower than a 2.5 on a 4.0 scale by a rules  
33 change by the Department of Higher Education if it is determined by the  
34 department, based on the most recent evaluation of the program's operation,  
35 that the change to a 3.0 or 2.75 grade point average on a 4.0 scale would  
36 unduly reduce the number of low-income or disadvantaged students who would

1 otherwise be eligible for the program.

2 (b) At the department's discretion, the  
3 department may make such a reduction for admissions to institutions with a  
4 high percentage of students receiving full Pell grants upon petition to the  
5 department by the institution.

6 (B) The applicant scored nineteen (19) or above on the  
7 American College Test composite or the equivalent as defined by the  
8 department.

9 (C)(i) The department is authorized to develop selection  
10 criteria through program rules and regulations that combine an applicant's  
11 American College Test or equivalent score and grade point average in the core  
12 curriculum into a selection index.

13 (ii) Notwithstanding the provisions of subdivisions  
14 (b)(6)(A) and (b)(6)(B) of this section, this selection index shall be  
15 employed as an alternative selection process for applicants who achieve a  
16 grade point average above 2.75 if attending an approved two-year institution  
17 or 3.0 if attending a four-year institution on a 4.0 scale in the set of core  
18 curriculum courses defined in subdivision (b)(5)(A) of this section or for  
19 applicants who have an American College Test composite or equivalent score  
20 greater than nineteen (19).

21 (D)(i) The applicant demonstrates financial need as  
22 defined by the department.

23 (ii) In calculating financial need for applicants  
24 who graduate from an Arkansas high school after December 31, 1998, but before  
25 January 1, 2001, the following criteria shall be used:

26 (a) An applicant whose family includes one (1)  
27 unemancipated child shall have average family adjusted gross income over the  
28 previous two (2) years not exceeding seventy thousand dollars (\$70,000) per  
29 year at the time of application to the program;

30 (b) An applicant whose family includes two (2)  
31 unemancipated children shall have average family adjusted gross income over  
32 the previous two (2) years not exceeding seventy-five thousand dollars  
33 (\$75,000) per year at the time of application to the program;

34 (c) An applicant whose family includes three  
35 (3) or more unemancipated children shall have average family adjusted gross  
36 income over the previous two (2) years not exceeding eighty thousand dollars

1 (\$80,000) per year at the time of application to the program, plus for  
2 families with more than three (3) unemancipated children, an additional five  
3 thousand dollars (\$5,000) per year for each additional child;

4 (d) Any applicant whose family includes more  
5 than one (1) unemancipated child enrolled full time at an approved  
6 institution of higher education shall be entitled to an additional ten  
7 thousand dollars (\$10,000) of adjusted gross income for each additional child  
8 when the department calculates financial need; and

9 (e) If the applicant is an adopted child who  
10 was at least twelve (12) years of age at the time of adoption and if the  
11 applicant's family includes unemancipated adopted children who were at least  
12 twelve (12) years of age at the time of adoption, the adoptive family shall  
13 be entitled to an additional ten thousand dollars (\$10,000) of adjusted gross  
14 income per adopted unemancipated child.

15 (iii) In calculating financial need for applicants  
16 who graduate from an Arkansas high school after December 31, 2000, the  
17 following criteria shall be used:

18 (a) An applicant whose family includes one (1)  
19 unemancipated child shall have average family adjusted gross income over the  
20 previous two (2) years not exceeding fifty thousand dollars (\$50,000) per  
21 year at the time of application to the program;

22 (b) An applicant whose family includes two (2)  
23 unemancipated children shall have average family adjusted gross income over  
24 the previous two (2) years not exceeding fifty-five thousand dollars  
25 (\$55,000) per year at the time of application to the program;

26 (c) An applicant whose family includes three  
27 (3) or more unemancipated children shall have average family adjusted gross  
28 income over the previous two (2) years not exceeding sixty thousand dollars  
29 (\$60,000) per year at the time of application to the program, plus for  
30 families with more than three (3) unemancipated children, an additional five  
31 thousand dollars (\$5,000) per year for each additional child; and

32 (d) Any applicant whose family includes more  
33 than one (1) unemancipated child enrolled full time at an approved  
34 institution of higher education shall be entitled to an additional ten  
35 thousand dollars (\$10,000) of adjusted gross income for each additional child  
36 when the department calculates financial need.

(c)(1) An applicant is eligible for an award from the Academic Challenge Scholarship Program if the applicant meets all of these criteria:

(A) The applicant expresses in writing an intention to:

(i) Teach in a geographical area of the state in which there exists a critical shortage of teachers, as certified by the Department of Education; or

(ii) Teach in a subject matter area where there exists a critical shortage of teachers, as certified by the State Board of Education.

(B) The applicant is a citizen of the United States or is a permanent resident alien;

(C) The applicant is accepted for admission at an approved institution of higher education as a full-time first-time freshman as defined by the department, and enrolls in an approved institution within twelve (12) months of the applicant's high school graduation;

(D) The applicant has successfully completed the core curriculum established by the State Board of Education and the Arkansas Higher Education Coordinating Board under § 6-61-217;

(E) The applicant achieved a grade point average of 2.5 on a 4.0 scale in the set of core curriculum courses;

(F) The applicant scored nineteen (19) or above on the American College Test composite or the equivalent as defined by the department; and

(G) The applicant has submitted to the same background check as required for a first-time applicant for teacher licensure under § 6-17-410 and has not pleaded guilty or nolo contendere to nor has been found guilty of any offense listed in § 6-17-410(c).

(2) Awards granted under this subsection (c) shall not be based upon an applicant's eligibility for financial aid.

(d)(1) An applicant is eligible for an award from the Academic Challenge Scholarship Program if the applicant meets all of these criteria:

(A) The applicant is enrolled in or accepted for enrollment at an approved institution of higher education; and

(B) The applicant expresses in writing an intention to:  
(i) Teach in a geographical area of the state in which there exists a critical shortage of teachers, as certified by the

1 Department of Education; or

2 (ii) Teach in a subject matter area where there  
 3 exists a critical shortage of teachers, as certified by the State Board of  
 4 Education;

5 (C) The applicant is a citizen of the United States or is  
 6 a permanent resident alien;

7 (D) The applicant scored nineteen (19) or above on the  
 8 American College Test composite or the equivalent as defined by the  
 9 department; and

10 (E) The applicant has submitted to the same background  
 11 check as required for first-time applicants for teacher licensure under § 6-  
 12 17-410 and has not pleaded guilty or nolo contendere to nor has been found  
 13 guilty of any offense listed in § 6-17-410(c).

14 (2)(A) Awards granted under this subsection are available to  
 15 both full-time and part-time students.

16 (B) The maximum number of awards that may be made to  
 17 students attending school on a part-time basis, and the maximum time period  
 18 for part-time students to complete the number of academic hours necessary to  
 19 obtain a baccalaureate degree in education, shall be established by rules and  
 20 regulations promulgated by the Department of Higher Education.

21 (3) Awards granted under this subsection (d) shall not be based  
 22 upon an applicant's eligibility for financial aid.

23 ~~(e)-(1)~~(e)(1) The Arkansas Higher Education Coordinating Board shall  
 24 have the authority to increase these financial need family income limitations  
 25 under subsections (a) and (b) of this section if sufficient additional funds  
 26 become available.

27 (2) Financial need criteria necessary for the selection of  
 28 recipients, including those defined as emancipated or independent by federal  
 29 student aid regulations, shall be established through rules and regulations  
 30 issued by the department.

31 ~~(d)~~(f) Recipients of Arkansas Governor's Distinguished Scholarships  
 32 are prohibited from receiving Academic Challenge scholarships.

33  
 34 SECTION 5. Arkansas Code § 6-82-1006 is amended to read as follows:  
 35 6-82-1006. Duration - Amount.

36 (a)(1) A recipient who graduated from high school before January 1,



2001, shall receive a scholarship for one (1) academic year renewable for up to three (3) additional academic years if the recipient meets continuing eligibility criteria established by the Department of Higher Education and if sufficient funds are available for that purpose.

(2) For recipients attending school on a part-time basis, the Department of Higher Education shall determine the maximum time period for part-time students to complete the number of academic hours necessary to obtain a baccalaureate degree in education and shall establish by rules and regulations promulgated by the Department of Higher Education the part-time equivalent to be allowed.

(b) A recipient who graduated from high school after December 31, 2000, shall receive a scholarship for one (1) academic year renewable for up to three (3) additional academic years if the recipient meets the following continuing eligibility criteria:

(1) The recipient earns a cumulative grade point average of 2.75 or above on a 4.0 scale at an approved institution;

(2) The recipient has completed a total of at least twenty-seven (27) hours during the first full academic year and a total of at least thirty (30) hours per academic year thereafter;

(3) If the student is entering the junior year, the student has taken the standardized rising junior test provided for in § 6-61-114; and

(4) The recipient meets any other continuing eligibility criteria established by the department.

(c)(1) For recipients who graduated from high school between January 1, 1995, and December 31, 1996, the amount of the annual scholarship awarded to each recipient shall be the lesser of one thousand five hundred dollars (\$1,500) or the annual tuition charged by the approved institution in which the recipient is enrolled.

(2) For recipients who graduated from high school between January 1, 1997, and December 31, 1998, the amount of the annual scholarship awarded to each recipient shall be the lesser of two thousand five hundred dollars (\$2,500) or the annual tuition charged by the approved institution in which the recipient is enrolled.

(3) For new recipients who graduated from high school after December 31, 1998 or who are receiving an award under §§ 6-82-1005(c) or 6-82-1005(d), the amount of the annual scholarship awarded to each recipient

1 shall be two thousand five hundred dollars (\$2,500).

2  
3 SECTION 6. Arkansas Code Title 6, Chapter 82, Subchapter 10 is amended  
4 by adding an additional section to read as follows:

5 6-82-1008. Teaching Requirements.

6 (a)(1) At the beginning of the first school year in which a recipient  
7 of a scholarship under the eligibility requirements of §§ 6-82-1005(c) or 6-  
8 82-1005(d) is eligible for employment as a licensed teacher, that recipient  
9 shall begin to render service as a licensed teacher in a public school  
10 district in:

11 (A) A geographical area of the state where the Department  
12 of Education has certified there to be a critical shortage of teachers; or

13 (B) In a subject matter the Department of Education has  
14 certified there to be a critical need for teachers.

15 (2)(A) Any recipient receiving a scholarship under § 6-82-  
16 1005(c) who received four (4) annual awards, or the equivalent of four (4)  
17 annual awards, shall render four (4) years' service as a licensed teacher.

18 (B) Any person who received a scholarship under § 6-82-  
19 1005(c) in an amount less than four (4) annual awards, or the equivalent of  
20 four (4) annual awards, shall render one (1) year's service as a licensed  
21 teacher for each year that the person received a full-time student  
22 scholarship, or for the number of academic hours equivalent to one (1) school  
23 year, as determined by the Department of Higher Education, for which a part-  
24 time student received a scholarship.

25 (3)(A) Any recipient receiving a scholarship under § 6-82-  
26 1005(d) who received four (4) annual awards, or the equivalent of four (4)  
27 annual awards, shall render eight (8) years' service as a licensed teacher.

28 (B) Any person who received a scholarship under § 6-82-  
29 1005(8) in an amount less than four (4) annual awards, or the equivalent of  
30 four (4) annual awards, shall render one (1) year's service as a licensed  
31 teacher for each year that the person received a full-time student  
32 scholarship, or for the number of academic hours equivalent to one (1) school  
33 year, as determined by the Department of Higher Education, for which a part-  
34 time student received a scholarship.

35 (b) Any person failing to complete a program of study which will  
36 enable that person to become a licensed teacher shall become liable

immediately to the Department of Higher Education for the sum of all scholarships under the eligibility requirements of §§ 6-82-1005(c) or 6-82-1005(d) for the sum of all awards made to that person, plus interest accruing at a rate to be determined by the Department of Higher Education.

(c)(1) Any person failing to complete the teaching obligation as required in this section, shall become liable immediately to the Department of Higher Education for the sum of all scholarship awards made to that person, less the corresponding amount of any awards for which service has been rendered, plus interest accruing at the current Stafford Loan rate in existence on January 1, 2001, except in the case of a deferral of debt for cause by the Department of Higher Education when there is no employment position immediately available upon a teacher's completion of licensure requirements.

(2) After the period of deferral, the person shall begin or resume teaching duties as required under subsection (4), or shall become liable to the board under this subsection.

(d) If a claim for payment under this section is placed in the hands of an attorney for collection, the obligor shall be liable for an additional amount equal to a reasonable attorney's fee.

(e) The obligations made by the recipient of a scholarship award under §§ 6-82-1005(c) or 6-82-1005(d) shall not be voidable by reason of the age of the student at the time of receiving the scholarship.

(f) The Department of Higher Education and the Department of Education shall jointly promulgate rules and regulations necessary for the proper administration of the scholarship under §§ 6-82-1005(c) or 6-82-1005(d).

(g) The Department of Higher Education shall be the administering agency of the program.

SECTION 7. Arkansas Code Title 6, Chapter 82, Subchapter 10 is amended by adding an additional section to read as follows:

6-82-1009. Priority.

If sufficient funds are not available to fully fund scholarship awards to all eligible applicants, the Department of Higher Education shall make the awards as follows:

(1) First, to recipients previously receiving awards under §§ 6-82-1005(c) or 6-82-1005(d);

1       (2) Second, to applicants eligible under § 6-82-1005(d) who are  
2 currently employed by a school district certified by the Department of  
3 Education as having a critical shortage of teachers;

4       (3) Third, to applicants eligible under § 6-82-1005(d);

5       (4) Fourth, to applicants eligible under § 6-82-1005(c); and

6       (5) Fifth, to applicants eligible under § 6-82-1005(b).

7  
8       SECTION 8. Arkansas Code Title 6, Chapter 82, Subchapter 10 is amended  
9 by adding an additional section to read as follows:

10       6-82-1010. Report.

11       (a) The Department of Higher Education shall make an annual report to  
12 the Legislative Council.

13       (b) Each report shall contain a complete enumeration of the  
14 department's activities, scholarships granted, names of recipients to whom  
15 granted, the institutions attended by those receiving scholarships, and the  
16 teaching location of recipients under §§ 6-82-1005(c) and 68-82-1005(d) who  
17 have received their education and become licensed teachers within this state  
18 as a result of the scholarships.

19       (c) The board shall make a full report and account of receipts and  
20 expenditures for salaries and expenses incurred under this section.

21       (d) In its records and any published reports, the board shall  
22 distinguish between those recipients under 6-82-1005(c) and 68-82-1005(d) who  
23 have breached their contracts but have paid their financial obligations in  
24 full, and those recipients who have breached their contracts and remain  
25 financially indebted to the state.