

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.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

As Engrossed: S3/5/01 S3/28/01

A Bill

SENATE BILL 595

5 By: Senators D. Malone, Mahony, Argue, Brown, Riggs, *J. Jeffress*
6 By: Representatives Cook, C. Johnson, Broadway, Ledbetter, W. Walker
7

For An Act To Be Entitled

8
9
10 AN ACT TO AMEND THE ARKANSAS ACADEMIC CHALLENGE
11 PROGRAM TO CHANGE THE ELIGIBILITY REQUIREMENTS;
12 TO CHANGE THE FINANCIAL NEEDS CRITERIA; TO CHANGE
13 THE CONTINUING ELIGIBILITY REQUIREMENTS; TO
14 CHANGE THE DEFINITION OF TUITION; TO DECLARE AN
15 EMERGENCY; AND FOR OTHER PURPOSES.
16

Subtitle

17
18 AN ACT TO AMEND THE ARKANSAS ACADEMIC
19 CHALLENGE PROGRAM TO CHANGE THE
20 ELIGIBILITY REQUIREMENTS; TO CHANGE THE
21 FINANCIAL NEEDS CRITERIA; TO CHANGE THE
22 CONTINUING ELIGIBILITY REQUIREMENTS; AND
23 TO CHANGE THE DEFINITION OF TUITION.
24

25
26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
27

28 SECTION 1. Arkansas Code 6-82-1002 is amended to read as follows:
29 6-82-1002. Definitions.

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

32 (1) (A) "Approved institution" means a public or private college or
33 university located in Arkansas that is accredited by the North Central
34 Association, Commission on Institutions of Higher Education, or which
35 certifies to the Department of Higher Education that its students are
36 accepted for transfer at institutions accredited by the North Central

1 Association, Commission on Institutions of Higher Education.

2 (B) Further, ~~such an approved~~ institution shall not discriminate
3 against applicants, students, or employees on the basis of race, color,
4 religion, sex, age, disability, or national origin, consistent with the
5 provisions of applicable state and federal law;

6 (2) "Full-time undergraduate student" means a resident of Arkansas who
7 attends an approved institution of higher education and is enrolled for at
8 least twelve (12) credit hours ~~per the first~~ semester and fifteen (15) hours
9 thereafter or the equivalent, as defined by the Department of Higher
10 Education, in a program of study which leads to or is creditable toward a
11 baccalaureate degree;

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

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

19 (5) "Recipient" means an applicant awarded a scholarship funded
20 through the Academic Challenge Scholarship Program;

21 ~~(5)(6)~~ "Tuition" means charges levied for attendance at an eligible
22 institution of higher education. ~~For purposes of this subchapter, tuition~~
23 ~~charges shall not include any fees charged or used for student activities,~~
24 ~~including any student athletic fee;~~ including mandatory fees charged to all
25 full-time students by an approved institution; and

26 ~~(6)(7)~~ "Unemancipated child" or "unemancipated children" means a
27 dependent child or dependent children as defined by the United States
28 Department of Education for student aid purposes.

29
30 SECTION 2. Arkansas Code 6-82-1003 is amended to read as follows:
31 6-82-1003. Creation.

32 There is hereby created and established the Arkansas Academic Challenge
33 Scholarship Program. ~~Recipients of the scholarships funded through this~~
34 ~~program shall be known as Academic Challenge Award recipients.~~

35
36 SECTION 3. Arkansas Code 6-82-1005 is amended to read as follows:

1 6-82-1005. Eligibility.

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

6 ~~(b)(1)~~ ~~A student~~ An applicant shall be eligible for an award from this
7 program if ~~he or she~~ the applicant meets all of these criteria:

8 ~~(A)(1)~~ ~~The recipient shall have~~ applicant graduated from an
9 Arkansas high school on or after March 5, 1991, ~~and be within twelve (12)~~
10 ~~months of enrolling as a full-time first-time freshman at an approved~~
11 ~~institution of higher education;~~

12 ~~(B)(2)~~ ~~The recipient shall have~~ applicant has been a resident of
13 the State of Arkansas for at least twelve (12) months prior to graduation
14 from an Arkansas high school, and the ~~recipient's~~ applicant's parent or
15 parents or guardian or guardians ~~shall~~ have maintained Arkansas residency for
16 the same period of time;

17 ~~(C)(3)~~ ~~The recipient must be~~ applicant is a citizen of the
18 United States or ~~be~~ is a permanent resident alien;

19 ~~(D)(4)~~ ~~The recipient must be~~ applicant is accepted for admission
20 at an approved institution of higher education as a full-time first-time
21 freshman as defined by the department and ~~must enroll~~ enrolls in an approved
22 institution within twelve (12) months of the applicant's high school
23 graduation; ~~and~~

24 ~~(E)(5)(A)~~ ~~The recipient must have~~ Except as provided in
25 subsection (b)(5)(B), the applicant has successfully completed the core
26 curriculum established by the State Board of Education and Arkansas Higher
27 Education Coordinating Board pursuant to §§ 6-61-217-;

28 (B) An applicant who graduates from an Arkansas high
29 school after December 31, 2001 and who meets the provisions of subdivisions
30 (b)(1) through (4) of this section, but who has not completed the core
31 curriculum defined in subdivision (b)(5)(A) of this section by the end of the
32 senior year of high school due to the unavailability of the courses in the
33 applicant's high school, shall have a grace period of twelve (12) months from
34 the date of high school graduation in which to make up any course
35 deficiencies required for program eligibility.

36 (C)(i) The applicant has demonstrated proficiency in the

1 application of knowledge and skills in reading and writing literacy and
2 mathematics by passing the end of course examinations as may be developed by
3 the Department of Education and as may be designated by the Department of
4 Higher Education for this purpose.

5 (ii) "End of course" examinations shall mean those
6 examinations defined in § 6-15-419(4).

7 ~~(2) Furthermore, the recipient must satisfy these criteria:~~

8 ~~(A)(6)(A) The recipient must have~~ applicant who graduates
9 from an Arkansas high school after December 31, 2001 must have achieved a the
10 following:

11 (i) A grade point average of ~~2.5~~ 3.0 on a 4.0 scale
12 in the set of core curriculum courses; ~~and~~ if enrolling at an approved four-
13 year institution; or

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

17 (iii)(a) These revised grade point average
18 requirements may be reduced to no lower than a 2.5 on a 4.0 scale by a rules
19 change by the department, if it is determined by the department, based on the
20 most recent evaluation of the program's operation, that the change to a 3.0
21 or 2.75 grade point average on a 4.0 scale would unduly reduce the number of
22 low-income or disadvantaged students who would otherwise be eligible for the
23 program.

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

28 ~~(B) The recipient must score~~ applicant scored nineteen
29 (19) or above on the American College Test composite or the equivalent as
30 defined by the department;

31 (C)(i) The department is authorized to develop selection
32 criteria through program rules and regulations which combine an applicant's
33 American College Test or equivalent score and grade point average in the core
34 curriculum into a selection index.

35 (ii) Notwithstanding the provisions of subdivisions
36 (b)(6)(A) and (b)(6)(B) of this section, this selection index shall be

1 employed as an alternative selection process for applicants who achieve a
 2 grade point average above 2.75 if attending an approved two-year institution
 3 or 3.0 if attending a four-year institution on a 4.0 scale in the set of core
 4 curriculum courses defined in subdivision (b)(5)(A) of this section, or for
 5 applicants who have an American College Test composite or equivalent score
 6 greater than nineteen (19); and

7 ~~(3)(A)(D)(i)~~ The ~~student must demonstrate~~ applicant
 8 demonstrates financial need as defined by the department.

9 ~~(B)(ii)~~ In calculating ~~student~~ financial need for
 10 applicants who graduate from an Arkansas high school after ~~January 1, 1999~~
 11 December 31, 1998, but before January 1, 2001, the following criteria shall
 12 be used:

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

17 ~~(ii)(b)~~ An applicant whose family includes two
 18 (2) unemancipated children shall have average family adjusted gross income
 19 over the previous two (2) years not exceeding seventy-five thousand dollars
 20 (\$75,000) per year at the time of application to the program; ~~and~~

21 ~~(iii)(c)~~ An applicant whose family includes
 22 three (3) or more unemancipated children shall have average family adjusted
 23 gross income over the previous two (2) years not exceeding eighty thousand
 24 dollars (\$80,000) per year at the time of application to the program, plus
 25 for families with more than three (3) unemancipated children, an additional
 26 five thousand dollars (\$5,000) per year for each additional child;

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

32 ~~(D)(e)~~ If the applicant is an adopted child
 33 who was at least twelve (12) years of age at the time of adoption and if the
 34 applicant's family includes unemancipated adopted children who were at least
 35 twelve (12) years of age at the time of adoption, the adoptive family shall
 36 be entitled to an additional ten thousand dollars (\$10,000) of adjusted gross

1 income per adopted unemancipated child.

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

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

9 (b) An applicant whose family includes two (2)
10 unemancipated children shall have average family adjusted gross income over
11 the previous two (2) years not exceeding fifty-five thousand dollars
12 (\$55,000) per year at the time of application to the program;

13 (c) An applicant whose family includes three
14 (3) or more unemancipated children shall have average family adjusted gross
15 income over the previous two (2) years not exceeding sixty thousand dollars
16 (\$60,000) per year at the time of application to the program plus for
17 families with more than three (3) unemancipated children, an additional five
18 thousand dollars (\$5,000) per year for each additional child; and

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

24 ~~(c)(1) The department is authorized to develop selection criteria~~
25 ~~through program rules and regulations which combine an applicant's American~~
26 ~~College Test or equivalent score and grade point average in the core~~
27 ~~curriculum into a selection index.~~

28 ~~(2) Notwithstanding the provisions of subdivisions (b)(2)(A) and~~
29 ~~(B) of this section, this selection index shall be employed as an alternative~~
30 ~~selection process for applicants who achieve a grade point average above 2.5~~
31 ~~2.75 on a 4.0 scale in the set of core curriculum courses defined in~~
32 ~~subdivision (b)(1)(E) of this section, or for applicants who have an American~~
33 ~~College Test composite or equivalent score greater than nineteen (19).~~

34 ~~(d) The required grade point average in the set of core curriculum~~
35 ~~courses defined in subdivision (b)(1)(E) of this section shall be 3.0 on a~~
36 ~~4.0 scale unless it is determined by the department, based on review and~~

1 evaluation of the program's operation in 1991-1993, that this change would
 2 unduly reduce the number of low income or disadvantaged students who would
 3 otherwise be eligible for the program.

4 ~~(e) Students who meet the provisions of subdivisions (b)(1)(A)-(C) of~~
 5 ~~this section but who have not completed the core curriculum defined in~~
 6 ~~subdivision (b)(1)(E) of this section by the end of the senior year of high~~
 7 ~~school shall have the grace period of twelve (12) months established for this~~
 8 ~~purpose in subdivisions (b)(1)(A) and (D) of this section in which to make up~~
 9 ~~any course or American College Test score deficiencies required for program~~
 10 ~~eligibility.~~

11 ~~(f)(1)(c)(1)~~ The Arkansas Higher Education Coordinating Board shall
 12 have the authority to ~~adjust~~ increase these financial need family income
 13 ~~requirements~~ limitations if sufficient additional funds become available.

14 (2) ~~Other financial~~ Financial need criteria necessary for the
 15 selection of recipients, including those defined as emancipated or
 16 independent by federal student aid regulations, shall be established through
 17 rules and regulations issued by the department.

18 (d) Recipients of Governor's Distinguished Scholarships are prohibited
 19 from receiving Academic Challenge Scholarships.

20
 21 SECTION 4. Arkansas Code 6-82-1006 is amended to read as follows:
 22 6-82-1006. Duration - Amount.

23 ~~(a) Students who receive scholarships under the program authorized by~~
 24 ~~this subchapter shall be known as Arkansas Academic Challenge Scholarship~~
 25 ~~Award recipients.~~

26 ~~(b)(1) An eligible~~ (a) A recipient who graduated from high school
 27 before January 1, 2001 shall receive a scholarship for one (1) academic year
 28 renewable for up to three (3) additional academic years if the recipient
 29 meets continuing eligibility criteria established by the Department of Higher
 30 Education, and if sufficient funds are available for that purpose.

31 ~~(2) In addition to those continuing eligibility criteria~~
 32 ~~established through rules and regulations, the following criteria apply to~~
 33 ~~recipients who graduated from high school after December 31, 1998:~~

34 ~~(A) Recipients entering the sophomore year who achieve a~~
 35 ~~cumulative grade point average of 3.25 or above on a 4.0 scale in the~~
 36 ~~freshman year shall receive a scholarship award five hundred dollars (\$500).~~

1 ~~above the amount of the annual scholarship received in their first year of~~
2 ~~eligibility;~~

3 ~~(B) Recipients entering the junior year who achieve a~~
4 ~~cumulative grade point average of 3.25 or above on a 4.0 scale shall receive~~
5 ~~a scholarship award five hundred dollars (\$500) above the amount received in~~
6 ~~the sophomore year; and~~

7 ~~(C) Recipients entering the senior year who achieve a~~
8 ~~cumulative grade point average of 3.25 or above on a 4.0 scale shall receive~~
9 ~~a scholarship award five hundred dollars (\$500) above the amount received in~~
10 ~~the junior year.~~

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

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

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

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

22 (4) The recipient meets any other continuing eligibility
23 criteria established by the Department of Higher Education.

24 ~~(3) In addition to those continuing eligibility criteria~~
25 ~~established through rules and regulations, the following criteria apply to~~
26 ~~recipients who graduated from high school before December 31, 1998:-~~

27 ~~(A) Recipients entering the sophomore year who graduated~~
28 ~~from high school before December 31, 1998, and who earned a cumulative grade~~
29 ~~point average of 3.0 or above in the freshman year shall receive a~~
30 ~~scholarship award five hundred dollars (\$500) above the amount of the annual~~
31 ~~scholarship received in their first year of eligibility;~~

32 ~~(B) Recipients entering the junior year who graduated from~~
33 ~~high school before December 31, 1998, and who earned a cumulative grade point~~
34 ~~average of 3.0 or above shall receive a scholarship award five hundred~~
35 ~~dollars (\$500) above the amount received in the sophomore year; and~~

36 ~~(C) Recipients entering the senior year who graduated from~~

1 high school before December 31, 1998, and who earned a cumulative grade point
 2 average of 3.0 or above shall receive a scholarship award five hundred
 3 dollars (\$500) above the amount received in the junior year.

4 ~~(c)(1)~~ For recipients who graduated from high school prior to January
 5 1, 1995, the amount of the annual scholarship awarded to each recipient shall
 6 be the lesser of one thousand dollars (\$1,000) or the annual tuition charged
 7 by the approved institution in which the recipient is enrolled.

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

13 ~~(3)(2)~~ For recipients who graduated from high school between
 14 January 1, 1997, and December 31, 1998, the amount of the annual scholarship
 15 awarded to each recipient shall be the lesser of two thousand five hundred
 16 dollars (\$2,500) or the annual tuition charged by the approved institution in
 17 which the recipient is enrolled.

18 ~~(4)(3)~~ For new recipients who graduated from high school after
 19 December 31, 1998 the amount of the annual scholarship awarded to each
 20 recipient shall be two thousand five hundred dollars (\$2,500).

21 ~~(5)~~ "Tuition" shall mean the charges defined in § 6-82-
 22 1002(5).

23 ~~(d)~~ The amount of the annual scholarship awarded to each recipient
 24 shall be not less than that provided for in subsection (c) of this section.

25 ~~(e)~~ None of the scholarships awarded to students under the terms of
 26 this subchapter are intended to replace or substitute for other forms of
 27 state funded scholarships or grants.

28
 29 SECTION 5. EMERGENCY CLAUSE. It is found and determined by the
 30 General Assembly that the state does not have the funds to support the
 31 Academic Challenge Program in its current form and that applicants graduating
 32 after December 31, 2000, will experience uncertainty regarding eligibility
 33 for the Academic Challenge Scholarship, and many applicants may be delayed in
 34 beginning their post-secondary education unless changes in the scholarship
 35 program become effective in sufficient time to allow scholarship awards to be
 36 made to those students making enrollment decisions for the 2001-2002 academic

1 year. Therefore, an emergency is declared to exist and this act being
2 immediately necessary for the preservation of the public peace, health and
3 safety shall become effective on April 30, 2001.

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/s/ D. Malone