

1 State of Arkansas  
2 92nd General Assembly  
3 Regular Session, 2019  
4

# A Bill

SENATE BILL 343

5 By: Senator J. Sturch  
6

## For An Act To Be Entitled

8 AN ACT TO CREATE THE ARKANSAS CONCURRENT CHALLENGE  
9 SCHOLARSHIP; TO PROVIDE FOR AN ADDITIONAL USE OF  
10 EXCESS LOTTERY PROCEEDS TO FUND SCHOLARSHIPS FOR  
11 CERTAIN STUDENTS WHO ARE ENROLLED IN ENDORSED  
12 CONCURRENT ENROLLMENT COURSES OR CERTIFICATE  
13 PROGRAMS; AND FOR OTHER PURPOSES.  
14

## Subtitle

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16 TO CREATE THE ARKANSAS CONCURRENT  
17 CHALLENGE SCHOLARSHIP.  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
22

23 SECTION 1. Arkansas Code Title 6, Chapter 85, is amended to add an  
24 additional subchapter to read as follows:

25 Subchapter 4 – Arkansas Concurrent Challenge Scholarship Program  
26

27 6-85-401. Creation.

28 There is created the Arkansas Concurrent Challenge Scholarship Program.  
29

30 6-85-402. Definitions.

31 As used in this subchapter:

32 (1) “Approved institution of higher education” means an  
33 institution of higher education that:

34 (A) Is approved by the Department of Higher Education to  
35 participate in the Arkansas Concurrent Challenge Scholarship Program;

36 (B) Offers at least a fifty percent (50%) discount on the



1 tuition and mandatory fees of an endorsed concurrent enrollment course or  
 2 certificate program to a student who is enrolled in an endorsed concurrent  
 3 enrollment course or certificate program, unless other opportunities are  
 4 provided that lower the tuition and mandatory fees below fifty percent (50%);  
 5 and

6 (C) Is a:

7 (i) State-supported two-year or four-year college or  
 8 university; or

9 (ii) Private, nonprofit two-year or four-year  
 10 college or university that has its primary headquarters located in Arkansas  
 11 and that is eligible to receive Title IV federal student aid funds;

12 (2)(A) "Certificate program" means a program that is offered or  
 13 made available to a student by an approved institution of higher education  
 14 that leads to the obtainment of a certification or license.

15 (B) "Certificate program" does not include a program that  
 16 is operated or sponsored by a third party;

17 (3)(A) "Endorsed concurrent enrollment course" means the same  
 18 as defined in § 6-16-1202(2).

19 (B) "Endorsed concurrent enrollment course" does not  
 20 include a program that is operated or sponsored by a third party; and

21 (4) "Student" means a person who has junior or senior status  
 22 and who is enrolled at a:

23 (A) Public high school in Arkansas;

24 (B) Private high school in Arkansas; or

25 (C) Home school, as defined in § 6-15-501 et seq.

26  
 27 6-85-403. Eligibility.

28 (a) A student is eligible to receive an Arkansas Concurrent Challenge  
 29 Scholarship under this subchapter for an academic semester or academic year  
 30 during which the student is enrolled in an endorsed concurrent enrollment  
 31 course or certificate program if the student:

32 (1) Applies to the Department of Higher Education by a date  
 33 determined by the department;

34 (2) Is an Arkansas resident or, if the student is less than  
 35 twenty-one (21) years of age, either the student or one (1) parent of the  
 36 student is an Arkansas resident; and

1           (3)(A) Submits a student success plan as described under § 6-15-  
2 2911(b).

3           (B) The student success plan required under subdivision  
4 (a)(3)(A) of this section for a student who is enrolled in an endorsed  
5 concurrent enrollment course or certificate program shall:

6                   (i) Be prepared in consultation with:

7                           (a) School personnel, the student, and the  
8 student's parent or legal guardian; or

9                           (b) A college advisor; and

10                   (ii) Include:

11                           (a) An endorsed concurrent enrollment course  
12 or certificate program that is relevant to the student's success plan; and

13                           (b) Measures that ensure the successful  
14 completion of the endorsed concurrent enrollment course or certificate  
15 program in which the student is enrolled.

16           (b)(1) A student successfully completes an endorsed concurrent  
17 enrollment course or a course taken towards the completion of a certificate  
18 program under this subchapter if he or she completes the course or program  
19 and receives a minimum letter grade of "C" or the equivalent.

20           (2)(A) A student who fails to successfully complete an endorsed  
21 concurrent enrollment course or a course taken towards the completion of a  
22 certificate program under this subchapter shall:

23                   (i) Retain eligibility for a scholarship under this  
24 subchapter; and

25                   (ii) Enroll in only one (1) endorsed concurrent  
26 enrollment course or course required for the completion of a certificate  
27 program for the semester immediately following the semester in which the  
28 student failed to successfully complete an endorsed concurrent enrollment  
29 course or course taken towards the completion of a certificate program.

30           (B) However, if a student fails an endorsed concurrent  
31 enrollment course or a course taken towards the completion of a certificate  
32 program under this subchapter a second time, the student shall be ineligible  
33 to reapply for a scholarship under this subchapter.

34           (c) A student whose enrollment in a vocational center is reimbursable  
35 under § 6-51-305 is not eligible for a scholarship under this subchapter.

36

1           6-85-404. Funding.

2           (a) For an academic year, the following shall be used to fund Arkansas  
3 Concurrent Challenge Scholarships under this subchapter:

4                   (1) Excess funding returned to the Office of the Arkansas  
5 Lottery under § 6-85-212(e)(2)(B)(i) from the previous academic year; and

6                   (2) Net proceeds remaining from the previous academic year after  
7 the office:

8                           (A) Transfers the funds requested by the Department of  
9 Higher Education under § 23-115-801(c)(2); and

10                           (B) Deposits the amount necessary to maintain the  
11 Scholarship Shortfall Reserve Trust Account under § 23-115-802 in an amount  
12 equal to twenty million dollars (\$20,000,000).

13           (b)(1) A scholarship under this subchapter shall not be awarded for an  
14 academic year if:

15                           (A) Less than two hundred fifty thousand dollars  
16 (\$250,000) is available under subsection (a) of this section; or

17                           (B) The department received a loan from the Scholarship  
18 Shortfall Reserve Trust Account under § 23-115-802 for the Arkansas Academic  
19 Challenge Scholarship Program – Part 2, § 6-85-201 et seq., for the previous  
20 academic year.

21                   (2) Any funds under subsection (a) of this section that are not  
22 disbursed for scholarships under this subchapter shall be carried over to the  
23 next academic year to be used for scholarships under this subchapter.

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25           6-85-405. Distribution – Award amounts.

26           (a) If funds are available, the Department of Higher Education shall  
27 award Arkansas Concurrent Challenge Scholarships to all students who meet the  
28 requirements under this subchapter.

29                   (b)(1) The department shall distribute scholarships from the funds  
30 available in an equal amount to every approved institution of higher  
31 education that has enrolled a student eligible to receive a scholarship under  
32 this subchapter.

33                   (2) The maximum scholarship award a student may receive in an  
34 academic year shall be the lesser of:

35                           (A)(i) Five hundred dollars (\$500).

36                                   (ii) A scholarship awarded to a student who is

1 eligible under § 6-85-403 shall be awarded in the amount of one hundred and  
 2 twenty-five dollars (\$125) for each endorsed concurrent enrollment credit  
 3 course or certificate program in which the eligible student is enrolled, up  
 4 to two (2) endorsed concurrent enrollment credit courses or certificate  
 5 programs per semester.

6 (B) The tuition and mandatory fees of the endorsed  
 7 concurrent credit course or certificate program.

8 (3) A scholarship granted under this section may be awarded in  
 9 addition to any funds received for the enrollment in an endorsed concurrent  
 10 enrollment course under § 6-16-1204(e)(3).

11 (4) Unless a student's high school or community-based program  
 12 provides financial assistance for the cost of tuition and mandatory fees for  
 13 an endorsed concurrent enrollment course or certificate program, the  
 14 remaining cost of tuition and mandatory fees for an endorsed concurrent  
 15 enrollment course or certificate program is the responsibility of the  
 16 eligible student who is enrolled in the endorsed concurrent enrollment course  
 17 or certificate program.

18  
 19 6-85-406. Rules.

20 The Department of Higher Education shall promulgate rules to implement  
 21 this subchapter.

22  
 23 SECTION 2. Arkansas Code § 23-115-801(b)(1), concerning the deposit of  
 24 lottery proceeds into the Arkansas Workforce Challenge Scholarship Program,  
 25 is amended to read as follows:

26 (b)(1)(A) On or before the fifteenth day of each month, the office  
 27 shall deposit the net proceeds from the lottery into one (1) or more trust  
 28 accounts at one (1) or more financial institutions.

29 (B)(i) The office shall establish ~~a trust account~~ accounts  
 30 for both the Arkansas Workforce Challenge Scholarship Program, § 6-85-301 et  
 31 seq., and the Arkansas Concurrent Challenge Scholarship Program, § 6-85-401  
 32 et seq., in a financial institution into which the office shall transfer:

33 (a) Excess funding returned to the office  
 34 under § 6-85-212(e)(2)(B)(i) from the previous academic year; and

35 (b) Net proceeds remaining from the previous  
 36 academic year after the office:

1 (1) Transfers under subdivision (c)(2)  
2 of this section the funds requested by the Department of Higher Education;  
3 and

4 (2) Deposits the amount necessary into  
5 the Scholarship Shortfall Reserve Trust Account under § 23-115-802 to  
6 maintain an amount equal to twenty million dollars (\$20,000,000).

7 (ii) The funds transferred by the office into ~~the~~  
8 trust ~~account~~ accounts for the Arkansas Workforce Challenge Scholarship  
9 Program, § 6-85-301 et seq., and the Arkansas Concurrent Challenge  
10 Scholarship Program, § 6-85-401 et seq., established under subdivision

11 (b)(1)(B)(i) of this section shall be used for:

12 (a) Arkansas Workforce Challenge Scholarships;  
13 ~~and~~

14 (b) Any management fees charged by the  
15 financial institution to manage the trust ~~account~~ accounts for scholarship  
16 award supplements; and

17 (c) Arkansas Concurrent Challenge  
18 Scholarships.

19 (iii) Annually, the office shall transfer to the  
20 Department of Higher Education the funds from the previous academic year, if  
21 any, that were transferred by the office into the trust ~~account~~ accounts for  
22 the Arkansas Workforce Challenge Scholarship Program, § 6-85-301 et seq., and  
23 the Arkansas Concurrent Challenge Scholarship Program, § 6-85-401 et seq.,  
24 under subdivision (b)(1)(B)(i) of this section for distribution of Arkansas  
25 Workforce Challenge Scholarships and the Arkansas Concurrent Challenge  
26 Scholarships.

27  
28 SECTION 3. Arkansas Code § 23-115-802(c), concerning the use of funds  
29 in the Scholarship Shortfall Reserve Trust Account, is amended to read as  
30 follows:

31 (c)(1) Except as provided in subdivision (c)(2) of this section, if  
32 net proceeds in any year are not sufficient to meet the amount allocated for  
33 higher education scholarships, the account may be drawn upon to meet the  
34 deficiency.

35 (2) The account shall not be drawn upon to fund Arkansas  
36 Workforce Challenge Scholarships under the Arkansas Workforce Challenge

1 Scholarship Program, § 6-85-301 et seq., or Arkansas Concurrent Challenge  
2 Scholarships under the Arkansas Concurrent Challenge Scholarship Program, §  
3 6-85-401 et seq.

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