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
85th General Assembly
As Engrossed: H3/11/05
A Bill
Regular Session, 2005
HOUSE BILL 2610

By: Representative Burris

## For An Act To Be Entitled

AN ACT TO AMEND THE FINANCIAL NEED AND GRADE POINT AVERAGE REQUIREMENTS OF THE ARKANSAS ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM; AND FOR OTHER PURPOSES.

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

SECTION 1. Arkansas Code § 6-82-1005(b)(6), concerning eligibility for the Arkansas Academic Challenge Scholarship Program, is amended to read as follows:
(6)(A) The applicant who graduates graduated from an Arkansas high school after December 31, 2001, but before December 31, 2004, must have achieved the following:
(i) A grade point average of 3.0 on a 4.0 scale in the set of core curriculum courses if enrolling at an approved four-year institution; or
(ii) A grade point average of 2.75 on a 4.0 scale in the set of core curriculum courses if enrolling at an approved two-year institution.
(iii)(a) These fevised grade point average requirements may be reduced to no lower than a 2.5 on a 4.0 scale by a rules
change by the Department of Higher Education if it is determined by the department, based on the most recent evaluation of the program's operation, that the change to a 3.0 or 2.75 grade point average on a 4.0 scale would unduly reduce the number of low-income or disadvantaged students who would otherwise be eligible for the program.
(b) At the Department of Higher Education's discretion, the Department of Higher Education may make such a reduction for admissions to institutions with a high percentage of students receiving full Pell grants upon petition to the Department of Higher Education by the institution.
(B) The applicant scored nineteen (19) or above on the American College Test composite or the equivalent as defined by the Department of Higher Education.
(C)(i) The Department of Higher Education is authorized to develop selection criteria through program rules and regulations that combine an applicant's American College Test or equivalent score and grade point average in the core curriculum into a selection index.
(ii) Notwithstanding the provisions of subdivisions (b) (6) (A) and (b) (6) (B) of this section, this selection index shall be employed as an alternative selection process for applicants who achieve a grade point average above 2.75 if attending an approved two-year institution or 3.0 if attending a four-year institution on a 4.0 scale in the set of core curriculum courses defined in subdivision (b)(5)(A) of this section or for applicants who have an American College Test composite or equivalent score greater than nineteen (19).
(D) (i) The applicant demonstrates financial need as defined by the department.
(ii) In calculating financial need for applicants who graduate from an Arkansas high school after December 31, 1998, but before January l, 200l, the following criteria shall be used:
(a) An applicant whose family includes one (l) unemancipated child shall have average family adjusted gross income over the previous two (2) years not exceeding seventy thousand dollars (\$70,000) per year at the time of application to the program;
(b) An applicant whose family includes two (2) unemancipated children shall have average family adjusted gross income over
the previous two (2) years not exceeding seventy-five thousand dollars $(\$ 75,000)$ per year at the time of application to the program;
(c) An applicant whose family includes three (3) or more unemancipated children shall have average family adjusted gross income over the previous two (2) years not exceeding eighty thousand dollars $(\$ 80,000)$ per year at the time of application to the program, plus for families with more than three (3) unemancipated children, an additional five thousand dollars $(\$ 5,000)$ per year for each additional child;
(d) Any applicant whose family includes more than one (1) unemancipated child enrolled full time at an approved institution of higher education shall be entitled to an additional ten thousand dollars ( $\$ 10,000$ ) of adjusted gross income for each additional child when the department calculates financial need; and
(e) If the applicant is an adopted child who was at least twelve (12) years of age at the time of adoption and if the applicant's family includes unemancipated adopted children who were at least twelve (12) years of age at the time of adoption, the adoptive family shall be entitled to an additional ten thousand dollars ( $\$ 10,000$ ) of adjusted gross income per adopted unemancipated child.
(iii) In calculating financial need for applicants who graduate graduated from an Arkansas high school after December 31, 2000, but before December 31, 2004, the following criteria shall be used:
(a) An applicant whose family includes one (l) unemancipated child shall have average family adjusted gross income over the previous two (2) years not exceeding fifty thousand dollars (\$50,000) per year at the time of application to the program;
(b) An applicant whose family includes two (2) unemancipated children shall have average family adjusted gross income over the previous two (2) years not exceeding fifty-five thousand dollars $(\$ 55,000)$ per year at the time of application to the program;
(c) An applicant whose family includes three (3) or more unemancipated children shall have average family adjusted gross income over the previous two (2) years not exceeding sixty thousand dollars $(\$ 60,000)$ per year at the time of application to the program, plus for families with more than three (3) unemancipated children, an additional five thousand dollars ( $\$ 5,000$ ) per year for each additional child; and
(d) Any applicant whose family includes more than one (1) unemancipated child enrolled full time at an approved institution of higher education shall be entitled to an additional ten thousand dollars ( $\$ 10,000$ ) of adjusted gross income for each additional child when the department calculates financial need.
(iv) In calculating financial need for applicants who graduate from an Arkansas high school after December 31, 2004, the following criteria shall be used:
(a) An applicant whose family includes one (1) unemancipated child shall have average family adjusted gross income over the previous two (2) years not exceeding seventy thousand dollars $(\$ 70,000)$ per year at the time of application to the program;
(b) An applicant whose family includes two (2) unemancipated children shall have average family adjusted gross income over the previous two (2) years not exceeding seventy-five thousand dollars ( $\$ 75,000$ ) per year at the time of application to the program;
(c) An applicant whose family includes three (3) or more unemancipated children shall have average family adjusted gross income over the previous two (2) years not exceeding eighty thousand dollars $(\$ 80,000)$ per year at the time of application to the program, plus for families with more than three (3) unemancipated children, an additional five thousand dollars $(\$ 5,000)$ per year for each additional child; and
(d) Any applicant whose family includes more than one (l) unemancipated child enrolled full time at an approved institution of higher education shall be entitled to an additional ten thousand dollars $(\$ 10,000)$ of adjusted gross income for each additional child when the department calculates financial need.

SECTION 2. Arkansas Code § 6-82-1006(c), concerning the amount of the Academic Challenge Scholarship award, is amended to read as follows:
(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 recipients who graduated from high school after December 31, 1998, the amount of the annual scholarship awarded to each recipient shall be two thousand five hundred dollars (\$2,500).
(4) For recipients who graduated from high school after December 31, 2001 but before December 31, 2004, the amount of the annual scholarship awarded to each recipient shall be graduated as follows:
(A) A recipient in his or her freshman year shall be awarded an amount not to exceed two thousand dollars (\$2,000);
(B) A recipient in his or her sophomore year shall be awarded an amount not to exceed two thousand two hundred fifty dollars (\$2,250);
(C) A recipient in his or her junior year shall be awarded an amount not to exceed two thousand five hundred dollars $(\$ 2,500)$; and
(D) A recipient in his or her senior year shall be awarded an amount not to exceed three thousand dollars $(\$ 3,000)$.
(5) For recipients who graduated from high school after December 31, 2004, the amount of the annual scholarship awarded to each recipient shall be graduated as follows:
(A) A recipient in his or her freshman year shall be awarded an amount not to exceed two thousand five hundred dollars (\$2,500);
(B) A recipient in his or her sophomore year shall be awarded an amount not to exceed two thousand seven hundred fifty dollars (\$2,750);
(C) A recipient in his or her junior year shall be awarded an amount not to exceed three thousand five hundred dollars $(\$ 3,000)$; and
(D) A recipient in his or her senior year shall be awarded an amount not to exceed three thousand five hundred dollars $(\$ 3,500)$.

SECTION 3. Arkansas Code § 6-82-1008 is amended to read as follows:
6-82-1008. Awards not funded.
(a)(1) Any applicant who graduated after December 31, 2001, who was eligible to receive an academic challenge award but did not receive the award
because of insufficient funding in the program may be eligible to receive an award to begin in a year other than the freshman year.
(2) Any student enrolled in an institution of higher education must have achieved at least a 2.0 cumulative grade point average to be eligible for a deferred award.
(b) The Arkansas Higher Education Coordinating Board and the Department of Higher Education shall promulgate regulations necessary for the implementation of this section.
(c)(3) Any award made under this section subsection (a) of this section shall have funding priority as follows:
(1)(A) Awards shall be made first to individuals who made application prior to the original deadline during the individual's senior year in high school, received an award letter from the department but did not receive an award because of insufficient funding, and are now eligible under this section;
(2)(B) Awards shall be made, second, to the current-year high school graduates who are for the first time eligible to receive an Arkansas Academic Challenge Award; and
(3)(C) If sufficient funds are available after funding awards under subdivisions (c)(1) and (c)(2) (a)(3)(A) and (a)(3)(B)of this section, awards may be made to individuals who did not apply during their senior year in high school but would have been eligible if the individuals had applied prior to that year's deadline and who are now eligible under this section.
(b) If sufficient funding is available, any applicant who graduated after December 31, 2003 may be eligible to receive an award to begin in a year other than the freshman year if the applicant:
(1) Is currently enrolled in an eligible institution;
(2) Has achieved at least a 2.0 cumulative grade point average, and
(3) The applicant would have been eligible to receive an academic challenge scholarship based upon the increase family income values established under § 6-82-1005(b)(6)(D)(iv) but did not receive the award because the family income limitations under § 6-82-1005(b)(6)(D)(iii) or did not complete the fourth (4) mathematics requirements because the applicant did not anticipate eligibility based on the former income guidelines.
(c) The Arkansas Higher Education Coordinating Board and the

Department of Higher Education shall promulgate regulations necessary for the implementation of this section.

> /s/ Burris

