

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 85th General Assembly
3 Regular Session, 2005

As Engrossed: S3/17/05

A Bill

SENATE BILL 938

4
5 By: Senator Broadway
6
7

For An Act To Be Entitled

8
9 AN ACT TO AMEND THE STUDENT ASSISTANCE GRANT
10 PROGRAM; AND FOR OTHER PURPOSES.
11

Subtitle

12
13 AN ACT TO AMEND THE STUDENT ASSISTANCE
14 GRANT PROGRAM.
15
16

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
18

19 SECTION 1. Arkansas Code Title 6, Chapter 82, Subchapter 2 is
20 repealed.

21 ~~6-82-201. Legislative findings and intent—Purpose of subchapter.~~
22 ~~(a)(1) The General Assembly, giving due consideration to the~~
23 ~~historical and continuing interest of the people of Arkansas in encouraging~~
24 ~~able and deserving students to realize their aspirations for postsecondary~~
25 ~~education, finds and declares that postsecondary education for residents of~~
26 ~~this state who desire such an education and are properly qualified therefor~~
27 ~~is important to the welfare and security of this state and nation and,~~
28 ~~consequently, is an important public service.~~

29 ~~(2) The General Assembly finds and declares that the state can~~
30 ~~achieve its full economic and social potential only if every individual has~~
31 ~~the opportunity to contribute to the full extent of his or her capabilities~~
32 ~~and only when financial barriers to his or her economic, social, and~~
33 ~~educational goals are removed.~~

34 ~~(b) It is, therefore, the policy of the General Assembly and the~~
35 ~~purpose of this subchapter to establish a financial assistance program to~~
36 ~~provide able and deserving full-time students the opportunity to continue~~



1 ~~their program of self-improvement in an approved private or public~~
2 ~~institution of postsecondary education of their choice in this state.~~

3
4 ~~6-82-202. Definitions.~~

5 ~~As used in this subchapter, unless the context otherwise requires:~~

6 ~~(1) "Academic ability" means the intellectual standing of the~~
7 ~~student. In determining academic ability, the department shall examine the~~
8 ~~student's high school or college records or certified evidence therefrom on~~
9 ~~which the application is based, requiring proof of academic achievement and~~
10 ~~the capacity to profit from postsecondary education. Admission to an approved~~
11 ~~private or public institution does not automatically meet academic ability~~
12 ~~qualifications;~~

13 ~~(2) "Approved private institution" means a nonprofit two-year or~~
14 ~~four-year degree-granting institution of postsecondary education or an~~
15 ~~institution offering completion of an occupational training program as~~
16 ~~defined by the federal government, dedicated to educational purposes, located~~
17 ~~in Arkansas which:~~

18 ~~(A) Is operated privately under the control of an~~
19 ~~independent board and not directly controlled or administered by any public~~
20 ~~agency or political subdivision;~~

21 ~~(B) Restricts the use of public funds to educational~~
22 ~~programs with a secular purpose;~~

23 ~~(C) Provides a collegiate-level course of instruction for~~
24 ~~a minimum of two (2) years leading to or directly creditable toward an~~
25 ~~associate or baccalaureate degree or provides a course which leads to~~
26 ~~completion of an occupational training program;~~

27 ~~(D) Is accredited by an accrediting agency certified and~~
28 ~~recognized by the United States Department of Education or the division of~~
29 ~~agency evaluation and institutional accreditation, or is a school giving~~
30 ~~satisfactory assurance that it has the potential for accreditation and is~~
31 ~~making progress which, if continued, will result in its achieving~~
32 ~~accreditation;~~

33 ~~(E) Does not discriminate in the admission of students on~~
34 ~~the basis of race, color, religion, sex, or national origin and is otherwise~~
35 ~~in compliance with the federal Civil Rights Acts of 1964 and 1968 and~~
36 ~~executive orders issued pursuant thereto; and~~

1 ~~(F)—Subscribes to the principle of academic freedom;~~

2 ~~(3)—"Approved public institution" means a two-year or four-year~~
3 ~~degree-granting institution of postsecondary education or an institution~~
4 ~~offering completion of an occupational training program as defined by the~~
5 ~~federal government, dedicated to educational purposes, located in Arkansas~~
6 ~~which;~~

7 ~~(A)—Is directly controlled or administered by a public~~
8 ~~agency or political subdivision;~~

9 ~~(B)—Receives appropriations directly or indirectly from~~
10 ~~the General Assembly for operating expenses;~~

11 ~~(C)—Provides a collegiate level course for a minimum of~~
12 ~~two (2) years leading to or directly creditable toward an associate or~~
13 ~~baccalaureate degree or provides a course which leads to completion of an~~
14 ~~occupational training program;~~

15 ~~(D)—Is accredited by an accrediting agency certified and~~
16 ~~recognized by the United States Department of Education or the Division of~~
17 ~~Agency Evaluation and Institutional Accreditation, or is a school giving~~
18 ~~satisfactory assurance that it has the potential for accreditation and is~~
19 ~~making progress which, if continued, will result in its achieving~~
20 ~~accreditation;~~

21 ~~(E)—Does not discriminate in the admission of students on~~
22 ~~the basis of race, color, religion, sex, or national origin and is otherwise~~
23 ~~in compliance with the federal Civil Rights Acts of 1964 and 1968 and~~
24 ~~executive orders issued pursuant thereto;~~

25 ~~(F)—Subscribes to the principle of academic freedom;~~

26 ~~(4)—"Department" means the Department of Higher Education;~~

27 ~~(5)—"State scholarship" means the amount of money paid by the~~
28 ~~State of Arkansas to a qualified applicant pursuant to this subchapter;~~

29 ~~(6)—"Financial need" means the difference between the student's~~
30 ~~financial resources available, as determined by the department, and the~~
31 ~~student's total educational expenses, including tuition, mandatory fees, and~~
32 ~~board and room while attending an approved private or public institution of~~
33 ~~postsecondary education. In determining need, the department shall employ a~~
34 ~~formula of or similar to a nationally recognized comprehensive mechanism for~~
35 ~~determining need;~~

36 ~~(7)—"Full-time student" means an individual resident of~~

1 ~~Arkansas, as prescribed by the department, who is a student at an approved~~
2 ~~private or public institution in a course of study leading to an associate's~~
3 ~~or bachelor's degree or completion of an occupational training program, and~~
4 ~~who is enrolled in at least twelve (12) semester hours or some other~~
5 ~~reasonable academic equivalent as defined by the department; and~~

6 ~~(8) "Qualified student" means a full-time student who meets the~~
7 ~~criteria of academic ability and financial need, as determined by the~~
8 ~~department, and who has demonstrated that a state scholarship is warranted.~~

9
10 ~~6-82-203. Program established.~~

11 ~~There is established a program for providing state scholarships to~~
12 ~~residents of the State of Arkansas who are admitted to and in attendance as~~
13 ~~full-time postsecondary students at approved private or public institutions~~
14 ~~of postsecondary education in this state and who establish academic ability~~
15 ~~and financial need as provided in this subchapter.~~

16
17 ~~6-82-204. Administration—Authority of department.~~

18 ~~The Department of Higher Education shall administer the student~~
19 ~~assistance grant program provided for in this subchapter and in so doing~~
20 ~~shall have the following authority and responsibility with respect to the~~
21 ~~program:~~

22 ~~(1) To prepare application forms, parents' confidential~~
23 ~~financial statement forms, or such other forms as it shall deem necessary to~~
24 ~~properly administer and carry out the purposes of this subchapter and to~~
25 ~~furnish the forms to persons desiring to make application for state~~
26 ~~scholarships under the provisions of this subchapter;~~

27 ~~(2) To establish and consult, as necessary, an advisory~~
28 ~~committee representing the private and public sectors of postsecondary~~
29 ~~education in determining guidelines and regulations for administration of the~~
30 ~~student assistance grant program, including, but not limited to, rules~~
31 ~~determining academic ability, financial need, and residency;~~

32 ~~(3) To adopt such rules and regulations as the department shall~~
33 ~~deem necessary or appropriate to carry out the purposes of this subchapter;~~

34 ~~(4) To consider all applications for state scholarships;~~

35 ~~(5) To determine a termination date for the acceptance of~~
36 ~~applications;~~

1 ~~(6) To determine the necessary procedures for the awarding of~~
2 ~~grants should the number of eligible applicants exceed funds available,~~
3 ~~giving priority to those students with the greatest financial need and who~~
4 ~~meet academic eligibility requirements. To identify those students having the~~
5 ~~greatest financial need, the department shall utilize the family contribution~~
6 ~~or another acceptable approved methodology;~~

7 ~~(7) To cooperate with and receive the cooperation of the~~
8 ~~approved private and public institutions of postsecondary education in the~~
9 ~~state and their governing bodies in the administration of the scholarship~~
10 ~~program;~~

11 ~~(8) To employ or engage such professional, administrative,~~
12 ~~clerical, and other employees as may be necessary to assist the department in~~
13 ~~the performance of its duties and responsibilities;~~

14 ~~(9) To require applicants to file such additional information~~
15 ~~with the department as it may deem necessary and appropriate to carry out the~~
16 ~~purposes of this subchapter and to prevent fraud or misrepresentation or~~
17 ~~misleading representation by applicants;~~

18 ~~(10) To disburse scholarship grants to qualified students; and~~

19 ~~(11) To provide fair and equitable treatment to all approved~~
20 ~~institutions and students.~~

21
22 ~~6-82-205. Eligibility.~~

23 ~~(a) A qualified student shall be eligible for an initial or renewed~~
24 ~~state scholarship only if:~~

25 ~~(1) He or she is a citizen of the United States;~~

26 ~~(2) He or she is a resident of the State of Arkansas as~~
27 ~~determined by the Department of Higher Education;~~

28 ~~(3) He or she meets the admission requirements of the approved~~
29 ~~institution of postsecondary education of his or her choice;~~

30 ~~(4) He or she is enrolled as a full-time student in an~~
31 ~~undergraduate program at an approved private or public institution;~~

32 ~~(5) He or she satisfactorily meets the qualifications of~~
33 ~~financial need and academic achievement as established by the department.~~

34 ~~(b) State scholarships provided for in this subchapter shall be~~
35 ~~awarded to freshmen as first-year students, sophomores as second-year~~
36 ~~students, juniors as third-year students, and seniors as fourth-year~~

1 ~~students.~~

2

3 ~~6-82-206. Qualified student entitled to scholarship.~~

4 ~~A qualified student who is enrolled or has been accepted for enrollment~~
5 ~~at an approved private or public institution and who meets the other~~
6 ~~eligibility criteria shall be entitled to a state scholarship based on~~
7 ~~academic ability and financial need as determined by the Department of Higher~~
8 ~~Education.~~

9

10 ~~6-82-207. Duties of applicant for scholarship.~~

11 ~~Each applicant shall, in accordance with the provisions of this~~
12 ~~subchapter and the rules and regulations of the Department of Higher~~
13 ~~Education adopted pursuant to this subchapter.~~

14 ~~(1) Complete and file with the department, either directly or~~
15 ~~through a service recognized by the department, the appropriate application~~
16 ~~for a state scholarship and other information and data as may be requested by~~
17 ~~the department for its use and consideration in determining the eligibility~~
18 ~~of the applicant;~~

19 ~~(2) Promptly furnish to the department information regarding any~~
20 ~~other financial aid received, any change in the financial status of the~~
21 ~~applicant, and any other information which might have a direct bearing on the~~
22 ~~eligibility of the applicant for assistance under this subchapter; and~~

23 ~~(3) Provide the department with written verification of the~~
24 ~~applicant's intention to use the state scholarship for the purposes included~~
25 ~~within this subchapter.~~

26

27 ~~6-82-208. Amounts of scholarships.~~

28 ~~(a) The minimum scholarship award shall be one hundred dollars (\$100)~~
29 ~~per academic year.~~

30 ~~(b) The maximum scholarship award shall not exceed the lesser of:~~

31 ~~(1) One half (1/2) of the tuition and mandatory fee charges per~~
32 ~~student per year at the approved private or public institution where the~~
33 ~~student has been admitted and is attending; or~~

34 ~~(2) Eight hundred dollars (\$800) for each academic year.~~

35

36 ~~6-82-209. Allocation of scholarship.~~

1 ~~A state scholarship may be allotted for one (1) academic year but shall~~
2 ~~be allocated equally among the semesters, trimesters, or other reasonable~~
3 ~~academic calendar equivalents covered, upon certification by the approved~~
4 ~~private or public institutions that the student has been admitted, is in~~
5 ~~attendance at such school, and is making satisfactory progress in his or her~~
6 ~~course of study.~~

7
8 ~~6-82-210. Award made to student.~~

9 ~~The state scholarship is to be awarded directly to the student, in the~~
10 ~~name of the student, in a manner to be determined by the Department of Higher~~
11 ~~Education.~~

12
13 ~~6-82-211. Withdrawal and refunds.~~

14 ~~If a recipient of a state scholarship at any time withdraws from an~~
15 ~~approved private or public institution so that under the rules and~~
16 ~~regulations of that institution he or she is entitled to a refund of any~~
17 ~~tuition, fees, or other charges, then the institution shall pay the refund to~~
18 ~~which the student may be entitled to the Department of Higher Education, to~~
19 ~~the extent of any amount the department has paid to the student for that~~
20 ~~academic year.~~

21
22 ~~6-82-212. Transfer to another school.~~

23 ~~If a recipient of a state scholarship transfers from one (1) approved~~
24 ~~institution to another, his or her scholarship may be transferred with the~~
25 ~~approval and adjustment of the Department of Higher Education.~~

26
27 ~~6-82-213. Legislative intent—Enhancement of student assistance grant~~
28 ~~program.~~

29 ~~(a) It is the intent of the General Assembly to significantly increase~~
30 ~~support for the student assistance grant program, previously known as the~~
31 ~~state scholarship program, in order to provide increased assistance to~~
32 ~~students and to raise the proportions of Arkansans attending institutions of~~
33 ~~higher education to match the national average within a ten-year period. To~~
34 ~~reach these objectives, it is the intent of the General Assembly to guard~~
35 ~~against continuing inflation and to accommodate the projected increase in the~~
36 ~~percentage of high school students going on to postsecondary education by~~

1 ~~providing a significant increase in funding for the student assistance grant~~
2 ~~program during the 1989-1991 biennium and an additional increase of ten~~
3 ~~percent (10%) each year for ten (10) years, beginning with the 1991-1992~~
4 ~~fiscal year.~~

5 ~~(b) The following funding targets are established for fiscal years~~
6 ~~1990 through 1999 for the student assistance grant program:~~

7	FY90	\$ 7,243,796
8	FY91	\$ 8,386,924
9	FY92	\$ 9,225,616
10	FY93	\$10,148,178
11	FY94	\$11,162,996
12	FY95	\$12,279,295
13	FY96	\$13,507,225
14	FY97	\$14,857,947
15	FY98	\$16,343,742
16	FY99	\$17,987,116

17
18 SECTION 2. Arkansas Code Title 6, Chapter 82, Subchapter 1 is amended
19 to add an additional section to read as follows:

20 6-82-105. Administration – Authority of Department of Higher
21 Education.

22 The Department of Higher Education shall administer all state college
23 financial assistance programs provided for by legislation or by law and in so
24 doing shall have the following authority and responsibility with respect to
25 state college financial assistance programs provided for by legislation or by
26 law:

27 (1) To prepare application forms, parents' confidential
28 financial statement forms, or any other forms as necessary to properly
29 administer and carry out the purposes of this subchapter and to furnish the
30 forms to persons desiring to make application for state financial aid;

31 (2) To establish and consult, as necessary, an advisory
32 committee representing the private and public sectors of postsecondary
33 education in determining guidelines and regulations for administration of the
34 student financial aid programs, including, but not limited to, rules
35 determining academic ability, financial need, and residency;

36 (3) To adopt such rules as the department shall deem necessary

1 or appropriate to carry out the purposes of this subchapter;

2 (4) To consider all applications for state scholarships;

3 (5) To determine a termination date for the acceptance of
4 applications;

5 (6) To determine the necessary procedures for the awarding of
6 grants should the number of eligible applicants exceed funds available;

7 (7) To cooperate with and receive the cooperation of the
8 approved private and public institutions of postsecondary education in the
9 state and their governing bodies in the administration of the scholarship
10 program;

11 (8) To employ or engage such professional, administrative,
12 clerical, and other employees as may be necessary to assist the department in
13 the performance of its duties and responsibilities;

14 (9) To require applicants to file additional information with
15 the department as necessary and appropriate to carry out the purposes of this
16 subchapter and to prevent fraud, misrepresentation, or misleading
17 representation by applicants;

18 (10) To disburse scholarship grants to qualified students
19 through eligible postsecondary institutions;

20 (11) To provide fair and equitable treatment to all approved
21 institutions and students; and

22 (12) To approve or determine the eligibility of any state-
23 supported institution of higher education to participate in or receive
24 disbursements of financial aid on behalf of students awarded any state
25 financial assistance provided for by legislation or by law.

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27 */s/ Broadway*
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