

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 87th General Assembly  
3 Regular Session, 2009  
4

As Engrossed: S2/10/09

# A Bill

SENATE BILL 316

5 By: Senator G. Baker  
6 By: Representatives Abernathy, J. Roebuck  
7

## For An Act To Be Entitled

8  
9  
10 AN ACT TO LIMIT THE AMOUNT OF UNRESTRICTED  
11 EDUCATIONAL AND GENERAL TUITION AND FEE INCOME AN  
12 INSTITUTION OF HIGHER EDUCATION CAN SPEND ON  
13 ACADEMIC AND PERFORMANCE SCHOLARSHIPS; AND FOR  
14 OTHER PURPOSES.

### Subtitle

15  
16  
17 TO LIMIT THE AMOUNT OF UNRESTRICTED  
18 EDUCATIONAL AND GENERAL TUITION AND FEE  
19 INCOME AN INSTITUTION OF HIGHER  
20 EDUCATION CAN SPEND ON ACADEMIC AND  
21 PERFORMANCE SCHOLARSHIPS.  
22  
23

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

26 *SECTION 1. Arkansas Code § 6-80-106(a)(1)(B) concerning academic*  
27 *scholarships is amended to read as follows:*

28  
29 *(B) "Academic scholarships" does not include:*

30 *(i) Graduate assistantships or fellowships;*

31 *(ii) Tuition waivers based on age, military service,*  
32 *or occupation and out-of-state tuition waivers for graduate students or*  
33 *students from contiguous states in close proximity to a college or*  
34 *university; ~~and~~*

35 *(iii) Scholarships for transfers from two-year*  
36 *institutions; and*



1 (iv) Scholarships made to a student who qualifies  
2 for a maximum Pell grant; and

3  
4 SECTION 2. Arkansas Code § 6-80-106(a)(2) concerning performance  
5 scholarships is amended to read as follows:

6  
7 (2)(A) "Performance scholarships" means scholarships for band,  
8 musical performing groups, arts, theater, forensics, and similar activities  
9 that are not awarded on the basis of entrance exam scores or high school  
10 academic achievement.

11 (B) "Performance scholarships" does not include  
12 scholarships made to a student who qualifies for a maximum Pell grant.

(B)

14 SECTION 3. Arkansas Code § 6-80-106(b), concerning limitations on  
15 unrestricted educational and general tuition and fee income on academic and  
16 performance scholarships, is amended to add an additional subsection to read  
17 as follows:

18 (b)(1) ~~Beginning with the 2006-2007 fiscal year, each public college~~  
19 ~~and public university~~ A state-supported institution of higher education shall  
20 not exceed its unrestricted educational and general tuition and mandatory fee  
21 income spending for academic and performance scholarships by more than:

22 (A) Thirty percent (30%);

23 (B) Twenty-five percent (25%) beginning in the 2012-2013  
24 fiscal year; and

25 (C) Twenty percent (20%) beginning in the 2013-2014 fiscal  
26 year.

27 (2) All scholarship expenditures or tuition discounts not  
28 specifically excluded in subsection (a) of this section shall be counted  
29 toward the percentage of expenditures for academic and performance  
30 scholarships.

31 (c) Beginning in the 2013-2014 fiscal year all expenditures for  
32 academic and performance scholarships exceeding twenty percent (20%) of  
33 unrestricted educational and general tuition and mandatory fee income in a  
34 fiscal year shall be deducted from the state funding recommendations as  
35 determined by the appropriate funding formula model for the fiscal year in  
36 the following biennium.

