

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

A Bill

HOUSE BILL 1489

5 By: Representative Hammer
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For An Act To Be Entitled

8 AN ACT TO AMEND THE ARKANSAS ACADEMIC CHALLENGE
9 SCHOLARSHIP PROGRAM, PART 2; TO REQUIRE REPAYMENT OF
10 A SCHOLARSHIP AWARD BY A RECIPIENT WHO DOES NOT
11 COMPLETE A COURSE OF STUDY; TO INCREASE THE AGGREGATE
12 AMOUNT OF NONTRADITIONAL STUDENT AWARDS; AND FOR
13 OTHER PURPOSES.
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Subtitle

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16 TO AMEND THE ARKANSAS ACADEMIC CHALLENGE
17 SCHOLARSHIP PROGRAM, PART 2, TO REQUIRE
18 REPAYMENT OF A SCHOLARSHIP AWARD BY A
19 RECIPIENT WHO DOES NOT COMPLETE A COURSE
20 OF STUDY.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code § 6-85-212(e)(2)(A), concerning the aggregate
27 amount of Arkansas Academic Challenge, Part 2, scholarships awarded to
28 nontraditional students, is amended to read as follows:

29 (2)(A) The department shall award to nontraditional students an
30 aggregate amount of scholarship awards of twelve million dollars
31 (\$12,000,000) plus the amount of funds collected under § 6-85-222.
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33 SECTION 2. Arkansas Code Title 6, Chapter 85, Subchapter 2, is amended
34 to add an additional section to read as follows:

35 6-85-222. Repayment of scholarship.

36 (a) A recipient under this subchapter shall become immediately liable



1 to the Department of Higher Education for the sum of all awards made to that
2 recipient under the program, without interest, if the Department of Higher
3 Education determines that the recipient:

4 (1) Is not enrolled in an institution of higher education; and

5 (2) Has not obtained:

6 (A) A certificate from a qualified certificate program;

7 (B) An associate's degree;

8 (C) A nursing degree; or

9 (D) A baccalaureate degree.

10 (b) A recipient annually shall verify to the Department of Higher
11 Education his or her:

12 (1) Enrollment status in a qualified certificate program,
13 associate program, or baccalaureate degree program; and

14 (2) Current home address;

15 (3) Current work address if he or she is employed; and

16 (4) Additional information requested by the Department of Higher
17 Education for the purpose of contacting the recipient concerning the
18 requirements of this section.

19 (c)(1) Subject to a waiver or deferral under subsection (d) of this
20 section, the Department of Higher Education shall collect the amount due from
21 the student under this section.

22 (2)(A) The amount owed under this section is subject to being
23 set off from any state tax refund due the student.

24 (B) The Department of Higher Education shall comply with
25 the provisions of § 26-36-301 et seq. for collection of the debt through a
26 setoff.

27 (d) The Department of Higher Education may waive or defer all or part
28 of a repayment under this section for any of the reasons that the Department
29 of Higher Education may grant a leave of absence under § 6-85-210.

30 (e) The Arkansas Higher Education Coordinating Board shall promulgate
31 rules to implement this section, including without limitation a standard form
32 a student shall sign before accepting a scholarship award that acknowledges
33 the requirements of this section.

34 (f) Except for repayments of scholarships awarded to nursing school
35 recipients under § 6-85-213, amounts repaid under this section shall be
36 maintained in a trust account and accounted for in the same manner as the net

1 proceeds from the state lottery that the Department of Higher Education
2 receives under § 23-115-801.

3 (g) The amounts collected under this section shall be used to increase
4 the aggregate amount of scholarship awards available to nontraditional
5 students under § 6-85-212.

6 (h)(1) This section applies to a student who is awarded a scholarship
7 under this subchapter for the first time for the 2013-2014 academic year.

8 (2) The section does not apply to a recipient who was first
9 awarded a scholarship for the 2012-2013 academic year or before and who meets
10 the continuing eligibility requirements under § 6-85-210.

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