

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

A Bill

SENATE BILL 676

5 By: Senator B. Davis
6 By: Representative Pilkington
7

For An Act To Be Entitled

9 AN ACT CONCERNING LIMITATIONS ON EXPENDITURES FOR
10 ACADEMIC AND PERFORMANCE SCHOLARSHIPS; TO REPEAL THE
11 STATUTE THAT IMPOSES LIMITS ON STATE-SUPPORTED
12 INSTITUTIONS OF HIGHER EDUCATION EXPENDITURES FOR
13 ACADEMIC AND PERFORMANCE SCHOLARSHIPS; AND FOR OTHER
14 PURPOSES.

Subtitle

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18 TO REPEAL THE STATUTE THAT IMPOSES LIMITS
19 ON STATE-SUPPORTED INSTITUTIONS OF HIGHER
20 EDUCATION EXPENDITURES FOR ACADEMIC AND
21 PERFORMANCE SCHOLARSHIPS.
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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 § 6-64-305(f)(22)-(24), concerning the
27 exemption of eVersity from certain statutes that are not applicable to an
28 entirely online institution of higher education, are amended to read as
29 follows:

- 30 (22) Section 6-63-307; and
- 31 (23) ~~Section 6-80-106;~~ and
- 32 ~~(24)~~ Section 19-4-1604.

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34 SECTION 2. Arkansas Code § 6-80-106 is repealed.

35 ~~6-80-106. Definitions and limitations on expenditures for academic and~~
36 ~~performance scholarships.~~



1 ~~(a) For the purpose of this section:~~

2 ~~(1)(A) "Academic scholarships" means scholarships awarded:~~

3 ~~(i) On a basis of criteria, including entrance exam~~
 4 ~~scores, high school grade point averages, and rank in high school graduating~~
 5 ~~class; or~~

6 ~~(ii) For merit or academic performance.~~

7 ~~(B) "Academic scholarships" does not include:~~

8 ~~(i) Graduate assistantships or fellowships;~~

9 ~~(ii) Tuition waivers based on age, military service,~~
 10 ~~or occupation and out-of-state tuition waivers for graduate students or~~
 11 ~~students from contiguous states in close proximity to a college or~~
 12 ~~university;~~

13 ~~(iii) Scholarships for transfers from two-year~~
 14 ~~institutions; and~~

15 ~~(iv) Scholarships made to a student who qualifies~~
 16 ~~for a Pell Grant; and~~

17 ~~(2)(A) "Performance scholarships" means scholarships for band,~~
 18 ~~musical performing groups, arts, theater, forensics, and similar activities~~
 19 ~~that are not awarded on the basis of entrance exam scores or high school~~
 20 ~~academic achievement.~~

21 ~~(B) "Performance scholarships" does not include~~
 22 ~~scholarships made to a student who qualifies for a Pell Grant.~~

23 ~~(b)(1) A state-supported institution of higher education shall not~~
 24 ~~exceed its unrestricted educational and general tuition and mandatory fee~~
 25 ~~income spending for academic and performance scholarships by more than:~~

26 ~~(A) Thirty percent (30%);~~

27 ~~(B) Twenty five percent (25%) beginning in the 2012-2013~~
 28 ~~fiscal year; and~~

29 ~~(C) Twenty percent (20%) beginning in the 2013-2014 fiscal~~
 30 ~~year.~~

31 ~~(2) All scholarship expenditures or tuition discounts not~~
 32 ~~specifically excluded in subsection (a) of this section shall be counted~~
 33 ~~toward the percentage of expenditures for academic and performance~~
 34 ~~scholarships.~~

35 ~~(c) Beginning in the 2013-2014 fiscal year all expenditures for~~
 36 ~~academic and performance scholarships exceeding twenty percent (20%) of~~

1 ~~unrestricted educational and general tuition and mandatory fee income in a~~
2 ~~fiscal year shall be deducted from the state funding recommendations as~~
3 ~~determined by the appropriate funding formula model for the fiscal year in~~
4 ~~the following biennium.~~

5 ~~(d) A state supported institution of higher education shall report the~~
6 ~~percentage of unrestricted educational and general tuition and mandatory fee~~
7 ~~income spent on academic and performance scholarships during the previous~~
8 ~~fiscal year to the Arkansas Higher Education Coordinating Board no later than~~
9 ~~June 1 each year.~~

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