

Stricken language would be deleted from and underlined language would be added to present law.

1 State of Arkansas  
2 93rd General Assembly  
3 Regular Session, 2021  
4

# A Bill

SENATE BILL 130

5 By: Senator J. Sturch  
6 By: Representative L. Johnson  
7

## For An Act To Be Entitled

9 AN ACT TO REPEAL THE ARKANSAS ACADEMIC CHALLENGE  
10 SCHOLARSHIP PROGRAM - PART 1; AND FOR OTHER PURPOSES.  
11

## Subtitle

12  
13  
14 TO REPEAL THE ARKANSAS ACADEMIC  
15 CHALLENGE SCHOLARSHIP PROGRAM - PART 1.  
16  
17

18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
19

20 SECTION 1. Arkansas Code Title 6, Chapter 85, Subchapter 1, is  
21 repealed.

22 ~~Subchapter 1 — Arkansas Academic Challenge Scholarship Program — Part 1~~  
23

24 ~~6-85-101. Legislative findings and declarations of public necessity.~~  
25 ~~The General Assembly hereby recognizes that taking the proper~~  
26 ~~coursework in high school is essential for success in college. Arkansas high~~  
27 ~~school students who complete the recommended precollegiate or technical~~  
28 ~~preparation core curriculum score significantly higher on standardized~~  
29 ~~preadmission tests and are more likely to be successful in college. Because~~  
30 ~~the State of Arkansas also benefits from the academic success of well-~~  
31 ~~prepared college students, there is hereby established the Arkansas Academic~~  
32 ~~Challenge Scholarship Program, a college scholarship plan to promote academic~~  
33 ~~achievement and encourage academically prepared Arkansas high school~~  
34 ~~graduates to enroll in the state's colleges and universities and to encourage~~  
35 ~~students to enter the field of teaching for the purpose of teaching in~~  
36 ~~subject matter areas of critical teacher shortage or in geographical areas of~~



1 ~~critical teacher shortage in the state.~~

2  
3 ~~6-85-102. Creation.~~

4 ~~There is hereby created and established the Arkansas Academic Challenge~~  
5 ~~Scholarship Program — Part 1.~~

6  
7 ~~6-85-103. Applicability — Expiration.~~

8 ~~(a) This subchapter is applicable to students who:~~

9 ~~(1) Applied for a scholarship under the Arkansas Academic~~  
10 ~~Challenge Scholarship Program, § 6-82-1001 et seq. [repealed], and maintain~~  
11 ~~eligibility under this subchapter; or~~

12 ~~(2) Apply for a scholarship under this subchapter for the~~  
13 ~~academic year 2009-2010, receive the scholarship, and maintain eligibility~~  
14 ~~thereafter.~~

15 ~~(b) Except to the extent of the award amount under § 6-85-107(b)(2), a~~  
16 ~~recipient of a scholarship under this subchapter shall not receive an~~  
17 ~~additional scholarship under the Arkansas Academic Challenge Scholarship~~  
18 ~~Program — Part 2, § 6-85-201 et seq.~~

19 ~~(c) This subchapter will expire on June 30, 2015.~~

20  
21 ~~6-85-104. Definitions.~~

22 ~~As used in this subchapter:~~

23 ~~(1) “Approved institution” means an institution of higher~~  
24 ~~education approved by the Division of Higher Education to participate in the~~  
25 ~~Arkansas Academic Challenge Scholarship Program that is:~~

26 ~~(A) A state-supported institution of higher education;~~

27 ~~(B) A private, nonprofit institution of higher education~~  
28 ~~with its primary headquarters located in Arkansas that is eligible to receive~~  
29 ~~Title IV federal student aid funds; or~~

30 ~~(C) A nursing school with its primary headquarters located~~  
31 ~~in Arkansas that is eligible to participate in Title IV federal student aid~~  
32 ~~programs and has been;~~

33 ~~(2) “Eligible student” means any student who:~~

34 ~~(A) Meets the criteria set out by this subchapter; and~~

35 ~~(B) Is deemed to be eligible by rules authorized by this~~  
36 ~~subchapter and promulgated by the division;~~





1 ~~lawful permanent resident;~~

2 ~~(4) The applicant is accepted for admission at an approved~~  
3 ~~institution as a full time first time freshman as defined by the Division of~~  
4 ~~Higher Education and enrolls in an approved institution within twelve (12)~~  
5 ~~months of the applicant's high school graduation;~~

6 ~~(5)(A)(i) Except as provided in subdivision (b)(5)(B) of this~~  
7 ~~section, the applicant has successfully completed the core curriculum~~  
8 ~~established by the State Board of Education and the Arkansas Higher Education~~  
9 ~~Coordinating Board under § 6-61-217.~~

10 ~~(ii) An applicant who graduates from an Arkansas~~  
11 ~~high school on or before December 31, 2009, and who meets the provisions of~~  
12 ~~subdivisions (b)(1)-(4) of this section but who has not completed the core~~  
13 ~~curriculum defined in this subdivision (b)(5)(A) by the end of the senior~~  
14 ~~year of high school due to the unavailability of the courses in the~~  
15 ~~applicant's high school shall have a grace period of twelve (12) months from~~  
16 ~~the date of high school graduation in which to make up any course~~  
17 ~~deficiencies required for program eligibility.~~

18 ~~(B) An applicant who graduates from an Arkansas high~~  
19 ~~school after December 31, 2009, shall have:~~

20 ~~(i) Successfully completed the Smart Core curriculum~~  
21 ~~as established by the Division of Elementary and Secondary Education; and~~

22 ~~(ii)(a) Demonstrated proficiency in the application~~  
23 ~~of knowledge and skills in reading and writing literacy and mathematics by~~  
24 ~~passing the end of course assessments developed by the Division of Elementary~~  
25 ~~and Secondary Education.~~

26 ~~(b) "End of course" assessments means those~~  
27 ~~assessments defined in § 6-15-419 [repealed].~~

28 ~~(C) All applicants shall have achieved:~~

29 ~~(i) Either:~~

30 ~~(a) A grade point average of 3.0 on a 4.0~~  
31 ~~scale in the set of core curriculum courses if enrolling at an approved four-~~  
32 ~~year institution; or~~

33 ~~(b) A grade point average of 2.75 on a 4.0~~  
34 ~~scale in the set of core curriculum courses if enrolling at an approved two-~~  
35 ~~year institution; and~~

36 ~~(ii) A minimum composite score of nineteen (19) or~~

1 higher on the ACT or the equivalent as defined by the Division of Higher  
 2 Education.

3 ~~(D)(i) The grade point average requirements of subdivision~~  
 4 ~~(b)(5)(C) of this section may be reduced to no lower than a 2.5 on a 4.0~~  
 5 ~~scale by a rules change by the Division of Higher Education if it is~~  
 6 ~~determined by the Division of Higher Education, based on the most recent~~  
 7 ~~evaluation of the program's operation, that the change to a 3.0 or 2.75 grade~~  
 8 ~~point average on a 4.0 scale would unduly reduce the number of low-income or~~  
 9 ~~disadvantaged students who would otherwise be eligible for the program.~~

10 ~~(ii) At the Division of Higher Education's~~  
 11 ~~discretion, the Division of Higher Education may make the reduction for~~  
 12 ~~admissions to institutions with a high percentage of students receiving full~~  
 13 ~~Pell Grants upon petition to the Division of Higher Education by the~~  
 14 ~~institution.~~

15 ~~(E)(i) The Division of Higher Education may develop~~  
 16 ~~selection criteria through program rules that combine an applicant's ACT or~~  
 17 ~~equivalent score and grade point average in the core curriculum into a~~  
 18 ~~selection index.~~

19 ~~(ii) Notwithstanding the provisions of subdivision~~  
 20 ~~(b)(5)(D) of this section, this selection index shall be employed as an~~  
 21 ~~alternative selection process for applicants who achieve a grade point~~  
 22 ~~average higher than 2.75 if attending an approved two-year institution or 3.0~~  
 23 ~~if attending a four-year institution on a 4.0 scale in the set of core~~  
 24 ~~curriculum courses defined in subdivision (b)(5)(A) of this section or for~~  
 25 ~~applicants who have an ACT composite or equivalent score greater than~~  
 26 ~~nineteen (19);~~

27 ~~(6)(A) An applicant shall demonstrate financial need as defined~~  
 28 ~~by the Division of Higher Education.~~

29 ~~(B) The Division of Higher Education shall use the~~  
 30 ~~following criteria in calculating financial need for applicants who graduated~~  
 31 ~~from an Arkansas high school after December 31, 2000, but before December 31,~~  
 32 ~~2004;~~

33 ~~(i) An applicant whose family includes one (1)~~  
 34 ~~unemancipated child shall have average family adjusted gross income over the~~  
 35 ~~previous two (2) years not exceeding fifty thousand dollars (\$50,000) per~~  
 36 ~~year at the time of application to the program;~~



1 ~~five thousand dollars (\$5,000) per year for each additional child; and~~

2 ~~(iv) Any applicant whose family includes more than~~  
3 ~~one (1) unemancipated child enrolled full time at an approved institution of~~  
4 ~~higher education shall be entitled to an additional ten thousand dollars~~  
5 ~~(\$10,000) of adjusted gross income for each additional unemancipated child~~  
6 ~~enrolled full time at an approved institution of higher education when the~~  
7 ~~Division of Higher Education calculates financial need.~~

8 ~~(c)(1) The Arkansas Higher Education Coordinating Board shall have the~~  
9 ~~authority to increase these financial need family income limitations if~~  
10 ~~sufficient additional funds become available.~~

11 ~~(2) Financial need criteria necessary for the selection of~~  
12 ~~recipients, including those defined as emancipated or independent by federal~~  
13 ~~student aid regulations, shall be established through rules issued by the~~  
14 ~~Division of Higher Education.~~

15 ~~(d) Recipients of Arkansas Governor's Distinguished Scholarships may~~  
16 ~~receive Arkansas Academic Challenge Scholarships, but shall not receive more~~  
17 ~~than the maximum scholarship amount for Arkansas Governor's Distinguished~~  
18 ~~Scholarships under § 6-82-312.~~

19 ~~(e) As an additional component to the Arkansas Academic Challenge~~  
20 ~~Scholarship Program:~~

21 ~~(1) Each applicant for the scholarship shall agree that for each~~  
22 ~~year the scholarship is awarded he or she may volunteer to serve as a~~  
23 ~~literacy tutor for a minimum of twenty (20) clock hours each semester in a~~  
24 ~~public school or a faith based educational institution serving students in~~  
25 ~~prekindergarten through grade six (preK-6);~~

26 ~~(2) A recipient who agrees to volunteer as a literacy tutor:~~

27 ~~(A) Shall complete the prerequisite training in literacy~~  
28 ~~and college readiness skills provided under § 6-85-211 before he or she~~  
29 ~~begins tutoring;~~

30 ~~(B) May receive college credit for the tutoring as~~  
31 ~~determined by the institution of higher education where the recipient is~~  
32 ~~enrolled; and~~

33 ~~(C) Shall receive the prerequisite training in literacy~~  
34 ~~and college readiness from an accredited Arkansas institution of higher~~  
35 ~~education based on training modules developed by the Division of Elementary~~  
36 ~~and Secondary Education; and~~



1  
2 ~~6-85-108. Nursing school eligibility.~~

3 ~~(a)(1) The General Assembly recognizes that the State of Arkansas is~~  
4 ~~experiencing a critical shortage of nurses.~~

5 ~~(2) It is the intent of this section to allow the Division of~~  
6 ~~Higher Education the opportunity to include associate degree granting and~~  
7 ~~diploma schools of nursing in the Arkansas Academic Challenge Scholarship~~  
8 ~~Program under specific circumstances.~~

9 ~~(b) The division shall make awards to applicants attending either an~~  
10 ~~associate degree or diploma school preparing registered nurses that is~~  
11 ~~approved by the Arkansas State Board of Nursing and which would not otherwise~~  
12 ~~be an approved institution if:~~

13 ~~(1) The nursing school is specifically recognized by the~~  
14 ~~division as a school of nursing eligible to participate in the Arkansas~~  
15 ~~Academic Challenge Scholarship Program; and~~

16 ~~(2) The recipient meets continuing eligibility requirements in §~~  
17 ~~6-85-106.~~

18 ~~(c) The scholarships awarded to recipients under this section shall be~~  
19 ~~subject to § 6-85-105(g).~~

20 ~~(d) The Arkansas Higher Education Coordinating Board and the division~~  
21 ~~shall promulgate rules necessary for the implementation of this section.~~

22  
23 ~~6-85-109. Priority for teaching commitment.~~

24 ~~(a) During times of funding shortages under the Arkansas Academic~~  
25 ~~Challenge Scholarship Program, the Division of Higher Education shall give a~~  
26 ~~priority to awards to applicants meeting all eligibility requirements under~~  
27 ~~the program who agree to accept a forgivable loan, as set forth in this~~  
28 ~~section, in lieu of a scholarship and who agree to teach, as required under §~~  
29 ~~6-85-110, in a:~~

30 ~~(1) Subject matter area designated by the Division of Elementary~~  
31 ~~and Secondary Education as having a critical shortage of teachers; or~~

32 ~~(2) Geographical area of the state designated by the Division of~~  
33 ~~Elementary and Secondary Education as having a critical shortage of teachers.~~

34 ~~(b) The Division of Higher Education shall make awards under this~~  
35 ~~subchapter as follows:~~

36 ~~(1) First, to applicants who agree to the provisions of this~~

1 section; and

2 ~~(2) Then to applicants eligible under § 6-85-106(b).~~

3 ~~(c) Forgivable loans awarded under this section shall be paid from~~  
4 ~~appropriations to the program.~~

5  
6 ~~6-85-110. Teaching requirements.~~

7 ~~(a)(1) At the beginning of the first school year in which a recipient~~  
8 ~~of a forgivable loan under § 6-85-109 is eligible for employment as a~~  
9 ~~licensed teacher, that recipient shall begin to render service as a licensed~~  
10 ~~teacher in a public school district in the state.~~

11 ~~(A) In a subject matter area designated by the Division of~~  
12 ~~Elementary and Secondary Education as having a critical shortage of teachers~~  
13 ~~if the recipient's award was made under § 6-85-109(a)(1); or~~

14 ~~(B) In a geographical area of the state designated by the~~  
15 ~~Division of Elementary and Secondary Education as having a critical shortage~~  
16 ~~of teachers if the recipient's award was made under § 6-85-109(a)(2).~~

17 ~~(2)(A) Any recipient receiving a forgivable loan under § 6-85-~~  
18 ~~109 who received four (4) annual awards or the equivalent of four (4) annual~~  
19 ~~awards shall render four (4) years' service as a licensed teacher.~~

20 ~~(B) Any person who received a forgivable loan under § 6-~~  
21 ~~85-109 in an amount less than four (4) annual awards or the equivalent of~~  
22 ~~four (4) annual awards shall render one (1) year's service as a licensed~~  
23 ~~teacher for each year that the person received a full-time student forgivable~~  
24 ~~loan or for the number of academic hours equivalent to one (1) school year,~~  
25 ~~as determined by the Division of Higher Education, for which a part-time~~  
26 ~~student received a forgivable loan.~~

27 ~~(b) Any person receiving a forgivable loan shall execute a note made~~  
28 ~~payable to the Division of Higher Education for an amount equal to the~~  
29 ~~scholarship award each semester that shall bear interest at a rate to be~~  
30 ~~determined by the Division of Higher Education and set forth in the note~~  
31 ~~after completion of the program or immediately after termination of the~~  
32 ~~forgivable loan, whichever is earlier.~~

33 ~~(c) Any person failing to complete a program of study that will enable~~  
34 ~~the person to become a licensed teacher shall begin repaying the note~~  
35 ~~according to the terms of the note for the sum of all forgivable loan awards~~  
36 ~~made to that person less the corresponding amount of any awards for which~~

1 ~~service has been rendered.~~

2 ~~(d)(1) Except as provided in subdivision (d)(2) of this section, any~~  
3 ~~person failing to complete the teaching obligation as required by this~~  
4 ~~subchapter shall become immediately liable to the Division of Higher~~  
5 ~~Education for the sum of all forgivable loan awards made to that person less~~  
6 ~~the corresponding amount of any awards for which service has been rendered~~  
7 ~~according to the note's terms.~~

8 ~~(2) The Division of Higher Education may defer payment on the~~  
9 ~~note if an employment position is not immediately available upon a teacher's~~  
10 ~~completion of licensure requirements or for other just cause as determined by~~  
11 ~~the Division of Elementary and Secondary Education.~~

12 ~~(3) After the period of deferral, the person shall begin or~~  
13 ~~resume teaching duties as required under this section or shall become liable~~  
14 ~~to the Division of Higher Education under this section.~~

15 ~~(e) If a claim for payment under this section is placed in the hands~~  
16 ~~of an attorney for collection, the obligor shall be liable for an additional~~  
17 ~~amount equal to a reasonable attorney's fee.~~

18 ~~(f) The obligations made by the recipient of a forgivable loan under §~~  
19 ~~6-85-109 and this section shall not be voidable by reason of the age of the~~  
20 ~~student at the time of receiving the forgivable loan award.~~

21  
22 ~~6-85-111. End of course assessment requirements.~~

23 ~~The Division of Higher Education may recognize a sub score of nineteen~~  
24 ~~(19) or higher in the applicable subject area on the ACT as meeting the~~  
25 ~~requirements for passing end of course assessments under the Arkansas~~  
26 ~~Academic Challenge Scholarship Program and the Arkansas Governor's Scholars~~  
27 ~~Program for a student who:~~

28 ~~(1) Has not had an opportunity to take an end of course~~  
29 ~~assessment;~~

30 ~~(2) Has not passed the end of course assessment; or~~

31 ~~(3) Is attending a private school or home school.~~

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