

# Fiscal Impact Statement

94th General Assembly of the State of Arkansas  
Regular Session, 2023

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**DATE:** 2/6/2023  
**BILL:** HB1347  
**SPONSORS:** Rep. Beck; Sen. Dotson

**SUBTITLE:**

**TO CREATE A FINANCIAL AID APPEALS PROCESS AND COMMITTEE FOR THE  
DIVISION OF HIGHER EDUCATION.**

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**I. Net proceeds from the state lottery for the 4 immediately preceding years:**

<u>Year:</u>	<u>Net Proceeds Amount:</u>
<u>2021-2022</u>	<u>\$99,386,657</u>
<u>2020-2021</u>	<u>\$106,417,224</u>
<u>2019-2020</u>	<u>\$89,265,394</u>
<u>2018-2019</u>	<u>\$98,639,040</u>

**II. Total amount of additional revenue available, if any:**

<u>Year:</u>	<u>Source:</u>	<u>Amount:</u>
<u>2021-2022</u>	<u>General Revenue</u>	<u>\$20,000,000</u>
<u>2020-2021</u>	<u>General Revenue</u>	<u>\$20,000,000</u>
<u>2019-2020</u>	<u>General Revenue</u>	<u>\$20,000,000</u>
<u>2018-2019</u>	<u>General Revenue</u>	<u>\$20,000,000</u>

**III. Net proceeds used to fund the following during the 4 immediately preceding years:**

**ACADEMIC CHALLENGE SCHOLARSHIP:**

<b><u>Year:</u></b>	<b><u>Net Proceeds Used:</u></b>
<u>2021-2022</u>	<u>\$75,104,798</u>
<u>2020-2021</u>	<u>\$88,057,167</u>
<u>2019-2020</u>	<u>\$88,629,284</u>
<u>2018-2019</u>	<u>\$91,217,799</u>

**CONCURRENT CHALLENGE SCHOLARSHIP:**

<b><u>Year:</u></b>	<b><u>Net Proceeds Used:</u></b>
<u>2021-2022</u>	<u>\$2,737,648</u>
<u>2020-2021</u>	<u>\$2,783,517</u>
<u>2019-2020</u>	<u>\$588,599</u>
<u>2018-2019</u>	<u>\$0</u>

**WORKFORCE CHALLENGE SCHOLARSHIP**

<b><u>Year:</u></b>	<b><u>Net Proceeds Used:</u></b>
<u>2021-2022</u>	<u>\$605,694</u>
<u>2020-2021</u>	<u>\$484,665</u>
<u>2019-2020</u>	<u>\$268,343</u>
<u>2018-2019</u>	<u>\$172,109</u>

**OTHER SCHOLARSHIPS, IF ANY:**

<b><u>Year:</u></b>	<b><u>Net Proceeds Used:</u></b>
<u>2021-2022</u>	<u>\$0</u>
<u>2020-2021</u>	<u>\$0</u>
<u>2019-2020</u>	<u>\$0</u>
<u>2018-2019</u>	<u>\$0</u>

**AMOUNT USED TO FUND NURSING SCHOOL SCHOLARSHIPS\*:**

<b><u>Year:</u></b>	<b><u>Net Proceeds Used:</u></b>
<u>2021-2022</u>	<u>\$122,250</u>
<u>2020-2021</u>	<u>\$42,875</u>
<u>2019-2020</u>	<u>\$126,500</u>
<u>2018-2019</u>	<u>\$142,000</u>

\*Scholarship awards paid to recipients attending approved schools of nursing are funded only from nonlottery state educational resources as set forth under § 6-85-213.

**IV. Comparison of information from Parts I and III:**

Amount from year with the highest amount of net proceeds used to fund Academic Challenge Scholarships:

\$91,217,799

Amount from year with the highest amount of net proceeds used to fund Workforce Challenge Scholarship:

\$605,694

Amount from year with lowest amount of net proceeds as determined under Section I:

\$89,265,394

Amount from year with the highest amount of net proceed used to fund Concurrent Challenge Scholarships:

\$2,783,517

Amount from year with the highest amount of net proceeds used to fund other scholarships, if any, other than nursing scholarships under § 6-85-213:

\$0

Amount from year with the highest amount of net proceeds used to fund nursing scholarships:

\$142,000

**V. Highest estimated cost necessary to fund a new or amended scholarship:**

\$0

**VI. Final lottery fiscal impact amount:**

**Step 1:**

Amount from year with the lowest amount of net proceeds as determined under Section I:	Total amount of additional revenue available, if any, determined under Section II:	Sum:
<b><u>\$89,265,394</u></b>	<b><u>\$20,000,000</u></b>	<b><u>\$109,265,394</u></b>

**Step 2:**

Highest estimated cost necessary to fund the new or amended scholarship as determined under Section V:	Total amount from years with the highest amount of net proceeds used to fund Academic Challenge, Workforce Challenge, Concurrent Challenge, and other scholarships, if any, as determined under Section III:	Sum:
<b><u>\$0</u></b>	<b><u>\$94,749,010</u></b>	<b><u>\$94,749,010</u></b>

**Step 3:**

Amount determined under Step 1	Amount determined under Step 2	Difference:
<b><u>\$109,265,394</u></b>	<b><u>\$94,749,010</u></b>	<b><u>\$14,516,384</u></b>

**Step 4:**

- If the amount determined under Step 3 results in a positive number, the proposed new scholarship or amendment to an existing scholarship may be considered as set forth under § 6-85-502(d).
- If the amount determined under Step 3 results in a negative number, the proposed new scholarship or amendment to an existing scholarship should not be considered unless requirements are met as set forth under § 6-85-502(d)(2).