

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

State of Arkansas
92nd General Assembly
Regular Session, 2019

A Bill

SENATE BILL 676

By: Senator B. Davis
By: Representative Pilkington

For An Act To Be Entitled

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

Subtitle

TO REPEAL THE STATUTE THAT IMPOSES LIMITS ON STATE-SUPPORTED INSTITUTIONS OF HIGHER EDUCATION EXPENDITURES FOR ACADEMIC AND PERFORMANCE SCHOLARSHIPS.

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

SECTION 1. Arkansas Code § 6-64-305(f)(22)-(24), concerning the exemption of eVersity from certain statutes that are not applicable to an entirely online institution of higher education, are amended to read as follows:

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

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 Arkansas Code § 6-80-106 is repealed.

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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