

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

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

SENATE BILL 648

By: Senator L. Eads
By: Representative Bragg

For An Act To Be Entitled

AN ACT TO CREATE THE ARKANSAS CHALLENGE PLUS
SCHOLARSHIP PROGRAM; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE THE ARKANSAS CHALLENGE PLUS
SCHOLARSHIP PROGRAM.

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

SECTION 1. Arkansas Code Title 6, Chapter 85, is amended to add an additional subchapter to read as follows:

Subchapter 5 – Arkansas Challenge Plus Scholarship Program

6-85-501. Creation.

There is created and established the Arkansas Challenge Plus Scholarship Program.

6-85-502. Eligibility.

A student is eligible to receive an Arkansas Challenge Plus Scholarship under this subchapter for an academic semester or academic year if the student:

(1) Applies for and maintains eligibility for a scholarship under the Arkansas Academic Challenge Scholarship Program, § 6-85-201 et seq.; and

(2) Demonstrates financial need as determined by the Free Application for Federal Student Aid (FAFSA).



6-85-503. Award of scholarship.

(a) An Arkansas Challenge Plus Scholarship under this subchapter shall be awarded to eligible applicants:

(1) In addition to a scholarship awarded under the Arkansas Academic Challenge Scholarship Program, § 6-85-201 et seq.;

(2) Based on the amount of financial need as determined by the Free Application for Federal Student Aid (FAFSA);

(3) As determined by the Division of Higher Education if sufficient funds are available; and

(4)(A) In increments of one thousand dollars (\$1,000) per eligible student per academic year, with a maximum of four thousand dollars (\$4,000) per eligible student per academic year, as determined by the division.

(B) The sum of an Arkansas Challenge Plus Scholarship under this subchapter and an Arkansas Academic Challenge Scholarship under § 6-85-201 et seq. shall not exceed five thousand dollars (\$5,000) total per eligible student per academic year.

(C) Scholarship amounts awarded under this subchapter may vary each year depending on the amount of funding available.

(b)(1) Arkansas Challenge Plus Scholarships under this subchapter shall be funded by available net proceeds remaining from the previous academic year after the Office of the Arkansas Lottery:

(A) Transfers the funds requested by the division under § 23-115-801(c)(2); and

(B) Deposits the amount necessary to maintain the Scholarship Shortfall Reserve Trust Account under § 23-115-802 in an amount equal to twenty million dollars (\$20,000,000).

(2) However, an Arkansas Challenge Plus Scholarship under this subchapter shall not be awarded for an academic year if:

(A) Less than two hundred fifty thousand dollars (\$250,000) is available under subsection (b)(1)(A) of this section; or

(B) The division received a loan from the account under § 23-115-802 for the Arkansas Academic Challenge Scholarship Program, § 6-85-201 et seq., for the previous academic year.

(3) The total amount of scholarships awarded under this

subchapter shall not exceed twenty-five million dollars (\$25,000,000) for academic year 2021-2022.

6-85-504. Authority.

(a) The Division of Higher Education shall administer the Arkansas Challenge Plus Scholarship Program under this subchapter.

(b) The division may promulgate rules to administer the program under this subchapter.

SECTION 2. EFFECTIVE DATE. This act is effective on and after July 1, 2022.