

Fiscal Impact Statement

95th General Assembly of the State of Arkansas
Regular Session, 2025

DATE: 02/18/2025

BILL: HB1480

SPONSOR: Rep. Andrews

**SUBTITLE: TO AMEND THE ARKANSAS ACADEMIC CHALLENGE
SCHOLARSHIP PROGRAM; AND TO AMEND THE DEFINITION OF "APPROVED
INSTITUTION OF HIGHER EDUCATION".**

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

<u>Year:</u>	<u>Net Proceeds Amount:</u>
<u>2023-2024</u>	<u>\$129,404,053</u>
<u>2022-2023</u>	<u>\$114,767,980</u>
<u>2021-2022</u>	<u>\$99,386,657</u>
<u>2020-2021</u>	<u>\$106,417,224</u>

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

<u>Year:</u>	<u>Source:</u>	<u>Amount:</u>
<u>2023-2024</u>	<u>Net Proceeds Fund Balance</u>	<u>\$0</u>
<u>2022-2023</u>	<u>Net Proceeds Fund Balance</u>	<u>\$0</u>
<u>2021-2022</u>	<u>Net Proceeds Fund Balance</u>	<u>\$0</u>
<u>2020-2021</u>	<u>Net Proceeds Fund Balance</u>	<u>\$0</u>

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

ACADEMIC CHALLENGE SCHOLARSHIP:

<u>Year:</u>	<u>Net Proceeds Used:</u>
<u>2023-2024</u>	<u>\$55,472,177</u>
<u>2022-2023</u>	<u>\$54,358,056</u>
<u>2021-2022</u>	<u>\$55,104,798</u>
<u>2020-2021</u>	<u>\$68,057,167</u>

CONCURRENT CHALLENGE SCHOLARSHIP:

<u>Year:</u>	<u>Net Proceeds Used:</u>
<u>2023-2024</u>	<u>\$3,875,974</u>
<u>2022-2023</u>	<u>\$2,596,826</u>
<u>2021-2022</u>	<u>\$2,737,648</u>
<u>2020-2021</u>	<u>\$2,783,517</u>

WORKFORCE CHALLENGE SCHOLARSHIP

<u>Year:</u>	<u>Net Proceeds Used:</u>
<u>2023-2024</u>	<u>\$937,018</u>
<u>2022-2023</u>	<u>\$581,161</u>
<u>2021-2022</u>	<u>\$605,694</u>
<u>2020-2021</u>	<u>\$484,665</u>

OTHER SCHOLARSHIPS, IF ANY:

<u>Year:</u>	<u>Net Proceeds Used:</u>
<u>2023-2024</u>	<u>\$0</u>
<u>2022-2023</u>	<u>\$0</u>
<u>2021-2022</u>	<u>\$0</u>
<u>2020-2021</u>	<u>\$0</u>

AMOUNT USED TO FUND NURSING SCHOOL SCHOLARSHIPS*:

<u>Year:</u>	<u>Net Proceeds Used:</u>
<u>2023-2024</u>	<u>\$0</u>
<u>2022-2023</u>	<u>\$0</u>
<u>2021-2022</u>	<u>\$0</u>
<u>2020-2021</u>	<u>\$0</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:

\$68,057,167

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

\$937,018

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

\$99,386,657

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

\$3,875,974

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:

\$0

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:
<u>\$99,386,657</u>	<u>\$0</u>	<u>\$99,386,657</u>

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:
<u>\$0</u>	<u>\$72,870,159</u>	<u>\$72,870,159</u>

Step 3:

Amount determined under Step 1	Amount determined under Step 2	Difference:
<u>\$99,386,657</u>	<u>\$72,870,159</u>	<u>\$26,516,498</u>

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).

