

1 State of Arkansas  
2 95th General Assembly  
3 Regular Session, 2025  
4

As Engrossed: H2/13/25

# A Bill

HOUSE BILL 1446

5 By: Representative Lundstrum  
6 By: Senator J. English  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND THE ARKANSAS WORKFORCE CHALLENGE  
10 SCHOLARSHIP PROGRAM; TO AMEND THE DEFINITION OF  
11 "APPROVED INSTITUTION OF HIGHER EDUCATION" TO INCLUDE  
12 CERTAIN PUBLIC OR PRIVATE VOCATIONAL-TECHNICAL  
13 SCHOOLS AND TECHNICAL INSTITUTES; TO INCREASE THE  
14 AWARD AMOUNTS; TO DECLARE AN EMERGENCY; AND FOR OTHER  
15 PURPOSES.

## Subtitle

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18 TO AMEND THE ARKANSAS WORKFORCE  
19 CHALLENGE SCHOLARSHIP PROGRAM; AND TO  
20 DECLARE AN EMERGENCY.  
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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25 SECTION 1. Arkansas Code § 6-85-302 is amended to read as follows:  
26 6-85-302. Definitions.

27 As used in this subchapter:

28 (1) "Approved institution of higher education" means an  
29 institution of higher education approved by the Division of Higher Education  
30 to participate in the Arkansas Workforce Challenge Scholarship Program and  
31 that is:

32 (A) A state-supported two-year or four-year college or  
33 university; ~~or~~

34 (B) A private, nonprofit two-year or four-year college or  
35 university with its primary headquarters located in Arkansas that is eligible  
36 to receive Title IV federal student aid funds;



1                   (C) A public or private vocational-technical school that  
2 is:

3                   (i) Eligible to receive Title IV federal student aid  
4 funds;

5                   (ii) Included on the Workforce Innovation and  
6 Opportunity Act eligible training provider list;

7                   (iii) Qualified to receive approval for veteran's  
8 education benefits from the United States Department of Veterans Affairs; or

9                   (iv) Included on the State Board of Private Career  
10 Education list; or

11                   (D) A public or private technical institute that is:

12                   (i) Eligible to receive Title IV federal student aid  
13 funds;

14                   (ii) Included on the Workforce Innovation and  
15 Opportunity Act eligible training provider list;

16                   (iii) Qualified to receive approval for veteran's  
17 education benefits from the United States Department of Veterans Affairs; or

18                   (iv) Included on the State Board of Private Career  
19 Education list; and

20                   (2)(A) "Certificate program" means a program that is offered or  
21 made available to a student by an approved institution of higher education  
22 that leads to the obtainment of a certification or license, including without  
23 limitation a program operated or sponsored by a third party or a United  
24 States Department of Labor Registered Apprenticeship Program.

25                   (B) The credit hours or contact hours awarded for a  
26 certificate program may include credit hours or contact hours that are not  
27 creditable toward an associate or a baccalaureate degree.

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29                   SECTION 2. Arkansas Code § 6-85-304 is amended to read as follows:  
30                   6-85-304. Eligibility.

31                   (a) A student is eligible to receive an Arkansas Workforce Challenge  
32 Scholarship for an academic year if the student applies to the Division of  
33 Higher Education by a date determined by the Division of Higher Education  
34 preceding the academic year and:

35                   (1) Is an Arkansas resident or, if the student is less than  
36 twenty-one (21) years of age, either the student or one (1) parent of the

1 student is an Arkansas resident;

2 (2) Is a citizen of the United States or is a lawful permanent  
3 resident;

4 (3) Meets either of the following requirements:

5 (A) Graduated from a:

6 (i) Public high school in Arkansas or another state;

7 (ii) Private high school in Arkansas or another  
8 state; or

9 (iii) Home school under § 6-15-501 et seq. or  
10 recognized by another state; or

11 (B) Received a high school equivalency diploma approved by  
12 the Adult Education Section or another state;

13 ~~(3)(4)~~ Is not receiving a scholarship under the Arkansas  
14 Academic Challenge Scholarship Program, § 6-85-201 et seq.;

15 ~~(4)(5)~~ Is accepted for admission in a program of study at an  
16 approved institution of higher education or a private trade school licensed  
17 to do business in Arkansas that leads to an associate degree or a certificate  
18 program that results in a portable license or certificate in one (1) of the  
19 following high-demand fields:

20 (A) Industry Manufacturing;

21 (B) Health care trades or professions not eligible for a  
22 scholarship award under the Arkansas Academic Challenge Scholarship Program,  
23 § 6-85-201 et seq.; and

24 (C) Information technology; and

25 (D) Construction trades; and

26 (E) Logistics and distribution; and

27 ~~(5)(A)(6)~~ Whose program of study or certificate program will result in  
28 the student's being qualified to work in an occupation identified by the  
29 Division of Higher Education, in consultation with the Division of Workforce  
30 Services ~~under subdivision (a)(5)(B)(i) of this section.~~

31 ~~(B)(i) The Division of Workforce Services shall provide~~  
32 ~~annually to the Division of Higher Education by March 1 a list that~~  
33 ~~identifies the five (5) most in-demand occupations in this state in each~~  
34 ~~high-demand field under subdivision (a)(4) of this section that require the~~  
35 ~~completion of a program of study that leads to an associate degree or a~~  
36 ~~certificate program.~~

1                   ~~(ii) The Division of Workforce Services shall publish~~  
2 ~~on its website the list under subdivision (a)(5)(B)(i) of this section and~~  
3 ~~data supporting the list.~~

4           ~~(b)(1) A student who received a scholarship under this subchapter and~~  
5 ~~successfully completed a program of study or certificate program that meets~~  
6 ~~the requirements under subdivision (a)(4) of this section is eligible to~~  
7 ~~reapply for a scholarship under this subchapter if the student is accepted~~  
8 ~~for admission in a different program of study or certificate program that~~  
9 ~~meets the requirements under subdivision (a)(4) of this section.~~

10           ~~(2) A student who received a scholarship under this subchapter~~  
11 ~~and does not successfully complete the program of study or certificate~~  
12 ~~program is eligible to reapply for and receive a scholarship one (1) time~~  
13 ~~only.~~

14           (b)(1) An instructor of the program of study or certificate program  
15 under subdivision (a)(6) of this section is required to be licensed or  
16 certified in the subject he or she teaches.

17           (2) If the program of study or certificate program is a United  
18 States Department of Labor Registered Apprenticeship Program, the  
19 qualifications of the instructor shall be determined by the rules for  
20 Arkansas's Registered Apprenticeship Programs promulgated by the Office of  
21 Skills Development.

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23           SECTION 3. Arkansas Code § 6-85-305(b), concerning the award amounts  
24 distributed under the Arkansas Workforce Challenge Scholarship Program, is  
25 amended to read as follows:

26           (b)(1) The division shall distribute scholarships from the funds  
27 available in an equal amount to every student eligible to receive a  
28 scholarship under this subchapter.

29           (2) Except as provided in subsection (c) of this section, the  
30 maximum scholarship award a student may receive in an academic year shall be  
31 the lesser of:

32                   (A) ~~Eight hundred dollars (\$800)~~ Two thousand five hundred  
33 dollars (\$2,500); or

34                   (B)(i) The cost of the certificate program or program of  
35 study.

36                   (ii) The cost of a certificate program or program of

1 study shall include:

- 2 (a) Tuition, fees, or other charges;  
3 (b) Textbooks or other course materials; and  
4 (c) Equipment needed for a course.

5 (3) The scholarship awards may be used for expenses included in  
6 the cost of the certificate program or program of study.

7 (4) A scholarship under this section shall be only for the  
8 academic year for which it is awarded.

9 (5) If the program of study or certificate program extends  
10 beyond an academic year, a student who is making sufficient progress may  
11 carry over any unspent portion of the scholarship.

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13 SECTION 4. Arkansas Code § 6-85-307 is amended to read as follows:  
14 6-85-307. Rules.

15 The Division of Higher Education, in consultation with the Division of  
16 Workforce Services, shall promulgate rules to implement this subchapter.

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18 SECTION 5. Arkansas Code Title 6, Chapter 85, Subchapter 3, is amended  
19 to add an additional section to read as follows:

20 6-85-308. Reporting.

21 (a) An approved institution of higher education or certificate program  
22 accepting funds under this subchapter shall submit an annual report to the  
23 Division of Higher Education that includes without limitation the following:

24 (1) The number of students who graduate with a degree, license,  
25 or certification from the approved institution of higher education;

26 (2) A comparison of the enrollment data and graduation data;

27 (3) Job placement statistics;

28 (4) Starting salaries of graduates; and

29 (5) Student information required to be provided to the division  
30 under § 6-85-216.

31 (b) The division shall submit the annual report required under  
32 subsection (a) of this section to the:

33 (1) House Committee on Education;

34 (2) Senate Committee on Education; and

35 (3) Lottery Oversight Subcommittee of the Legislative Council.

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1 SECTION 6. DO NOT CODIFY. Rules.

2 (a) When adopting the initial rules required under this act, the  
3 Division of Higher Education shall file the final rules with the Secretary of  
4 State for adoption under § 25-15-204(f):

5 (1) On or before ninety (90) days from the effective date of  
6 this act; or

7 (2) If approval under § 10-3-309 has not occurred by ninety (90)  
8 days from the effective date of this act, as soon as practicable after  
9 approval under § 10-3-309.

10 (b) The division shall file the proposed rules with the Legislative  
11 Council under § 10-3-309(c) sufficiently in advance of ninety (90) days from  
12 the effective date of this act, so that the Legislative Council may consider  
13 the rules for approval before ninety (90) days from the effective date of  
14 this act.

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16 SECTION 7. EMERGENCY CLAUSE. It is found and determined by the  
17 General Assembly of the State of Arkansas that the Arkansas Constitution,  
18 Article 19, § 14 was amended by Issue 1 of 2024 to allow state lottery  
19 proceeds to fund vocational or technical school scholarships for Arkansans;  
20 that there are workforce needs within the state, and the current law needs to  
21 be amended immediately in order to effectuate this change voted for by the  
22 people that would allow Arkansans to benefit from this change in the use of  
23 lottery proceeds; and that this act is immediately necessary because the  
24 process and procedures to distribute these scholarships need to be updated as  
25 quickly as possible in order to provide scholarship funding for Arkansans  
26 that would allow them to receive training and join the workforce of the  
27 state. Therefore, an emergency is declared to exist, and this act being  
28 immediately necessary for the preservation of the public peace, health, and  
29 safety shall become effective on:

30 (1) The date of its approval by the Governor;

31 (2) If the bill is neither approved nor vetoed by the Governor,  
32 the expiration of the period of time during which the Governor may veto the  
33 bill; or

34 (3) If the bill is vetoed by the Governor and the veto is  
35 overridden, the date the last house overrides the veto.

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*/s/Lundstrum*