

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

1 State of Arkansas *As Engrossed: H2/13/25 H2/20/25 H2/25/25*

2 95th General Assembly

A Bill

3 Regular Session, 2025

HOUSE BILL 1446

4

5 By: Representative Lundstrum

6 By: Senator J. English

7

8

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.

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Subtitle

19 TO AMEND THE ARKANSAS WORKFORCE
20 CHALLENGE SCHOLARSHIP PROGRAM; AND TO
21 DECLARE AN EMERGENCY.

22

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

24

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.

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

27
28 SECTION 2. Arkansas Code § 6-85-304 is amended to read as follows:
29 6-85-304. Eligibility.

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

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

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

3 (3) Meets either of the following requirements:

4 (A) Graduated from a:

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

6 (ii) Private high school in Arkansas or another

7 state; or

8 (iii) Home school under § 6-15-501 et seq. or

9 recognized by another state; or

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

12 ~~(3)~~(4) Is not receiving a scholarship under the Arkansas
13 Academic Challenge Scholarship Program, § 6-85-201 et seq.;

14 ~~(4)~~(5) Is accepted for admission in a program of study at an
15 approved institution of higher education or a private trade school licensed
16 to do business in Arkansas that leads to an associate degree or a certificate
17 program that results in a portable license or certificate in one (1) of the
18 following high-demand fields:

19 (A) ~~Industry~~ Manufacturing;

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

23 (C) Information technology; and

24 (D) Construction trades; and

25 (E) Logistics and distribution; and

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

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

36 ~~(ii) The Division of Workforce Services shall publish~~

1 ~~on its website the list under subdivision (a)(5)(B)(i) of this section and~~
2 ~~data supporting the list.~~

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

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

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

16
17 SECTION 3. Arkansas Code § 6-85-305(b), concerning the award amounts
18 distributed under the Arkansas Workforce Challenge Scholarship Program, is
19 amended to read as follows:

20 (b)(1) The division shall distribute scholarships from the funds
21 available in an equal amount to every student eligible to receive a
22 scholarship under this *subchapter* not to exceed ten million dollars
23 (\$10,000,000) in total awards.

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

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

29 (B)(i) The cost of the certificate program or program of
30 study.

31 (ii) The cost of a certificate program or program of
32 study shall include:

- 33 (a) Tuition, fees, or other charges;
34 (b) Textbooks or other course materials; and
35 (c) Equipment needed for a course.

36 (3) The scholarship awards may be used for expenses included in

1 the cost of the certificate program or program of study.

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

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

7
8 SECTION 4. Arkansas Code § 6-85-307 is amended to read as follows:
9 6-85-307. Rules.

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

12
13 SECTION 5. Arkansas Code Title 6, Chapter 85, Subchapter 3, is amended
14 to add an additional section to read as follows:

15 6-85-308. Reporting.

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

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

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

22 (3) Job placement statistics;

23 (4) Starting salaries of graduates; and

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

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

28 (1) House Committee on Education;

29 (2) Senate Committee on Education; and

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

31
32 SECTION 6. DO NOT CODIFY. Rules.

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

36 (1) On or before ninety (90) days from the effective date of

1 this act; or

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

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

10
11 SECTION 7. EMERGENCY CLAUSE. It is found and determined by the
12 General Assembly of the State of Arkansas that the Arkansas Constitution,
13 Article 19, § 14 was amended by Issue 1 of 2024 to allow state lottery
14 proceeds to fund vocational or technical school scholarships for Arkansans;
15 that there are workforce needs within the state, and the current law needs to
16 be amended immediately in order to effectuate this change voted for by the
17 people that would allow Arkansans to benefit from this change in the use of
18 lottery proceeds; and that this act is immediately necessary because the
19 process and procedures to distribute these scholarships need to be updated as
20 quickly as possible in order to provide scholarship funding for Arkansans
21 that would allow them to receive training and join the workforce of the
22 state. Therefore, an emergency is declared to exist, and this act being
23 immediately necessary for the preservation of the public peace, health, and
24 safety shall become effective on:

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

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

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

31
32 */s/Lundstrum*