

# ARKANSAS REGISTER

## Proposed Rule Cover Sheet



Secretary of State  
John Thurston  
500 Woodlane Street, Suite 026  
Little Rock, Arkansas 72201-1094  
(501) 682-5070  
[www.sos.arkansas.gov](http://www.sos.arkansas.gov)



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Name of Department \_\_\_\_\_

Agency or Division Name \_\_\_\_\_

Other Subdivision or Department, If Applicable \_\_\_\_\_

Previous Agency Name, If Applicable \_\_\_\_\_

Contact Person \_\_\_\_\_

Contact E-mail \_\_\_\_\_

Contact Phone \_\_\_\_\_

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Name of Rule \_\_\_\_\_

Newspaper Name \_\_\_\_\_

Date of Publishing \_\_\_\_\_

Final Date for Public Comment \_\_\_\_\_

Location and Time of Public Meeting \_\_\_\_\_

**ARKANSAS DIVISION OF HIGHER EDUCATION**  
**RULES GOVERNING THE GOVERNOR'S HIGHER EDUCATION TRANSITION**  
**SCHOLARSHIP PROGRAM**

(Effective Date: ~~September 28, 2022~~)

**1.00 REGULATORY AUTHORITY AND PURPOSE**

- 1.01 These rules shall be known as the ~~Arkansas Department of Education~~ Division of Higher Education Rules Governing the Governor's Higher Education Transition Scholarship Program.
- 1.02 These rules are enacted pursuant to the ~~Arkansas~~ Higher Education Coordinating Board's authority under Ark. Code Ann. §§ 6-82-105 and Acts 2022, No. 215.
- 1.03 The purpose of these rules is to establish the requirements and processes governing the Governor's Higher Education Transition Scholarship Program.

**2.00 GOVERNOR'S HIGHER EDUCATION TRANSITION SCHOLARSHIP**

- 2.01 The ~~Arkansas~~ Division of Higher Education (~~ADHE~~) shall oversee the establishment of the Governor's Higher Education Transition Scholarship Program.
- 2.02 Continuation of the Governor's Higher Education Transition Scholarship Program shall be contingent upon available funding.

**3.00 ORGANIZATION AND STRUCTURE**

- 3.01 ~~ADHE~~ The Division of Higher Education shall administer the Governor's Higher Education Transition Scholarship Program.
- 3.02 ~~ADHE~~ The division shall establish application periods and deadlines.

**4.00 ELIGIBILITY CRITERIA**

- 4.01 The Governor's Higher Education Transition Program Scholarship may only be awarded to those students who are admitted into transition programs that are accredited by The Institute for Community Inclusion as Comprehensive Training Programs.

4.01.1 In order to be considered a qualifying institution, an institution must offer a transition program as described in 4.01 of these rules.

4.02 Students, or representatives acting on behalf of students, must complete the online scholarship application provided by ~~ADHE~~ the Division of Higher Education.

## **5.00 CONTINUED ELIGIBILITY**

5.01 Recipients of the Governor's Higher Education Transition Scholarship will maintain award eligibility for a maximum of four (4) semesters as long as the recipients are continuously enrolled in a transition program.

## **6.00 SCHOLARSHIP AMOUNTS**

6.01 Scholarship awards are contingent upon availability of funds.

6.02 Awards may not exceed the institutional cost of attendance. The maximum award amount is \$2,500.00 per semester that the student qualifies for the scholarship.

6.03 Awards may be applied to tuition, mandatory fees, programmatic fees, room and board, supplies, or extended support services.

## **7.00 PAYMENT OF SCHOLARSHIPS**

7.01 ~~ADHE~~ The Division of Higher Education shall disburse scholarship funds to the qualifying institution of the recipient's choice via electronic funds transfer or state warrant.

7.02 After verification of enrollment, the institution will disburse the scholarship funds to the student according to the institution's disbursement procedures.

7.03 The scholarship payment will correspond to academic terms, semesters, quarters, or equivalent time periods at the institution.

7.03.1 For purposes of scholarship payments, academic terms at the institution may include summer terms, semesters, quarters, or their equivalent.

7.04 In no instance may the entire amount of the scholarship disbursement for an educational year be paid in advance to or on behalf of such student.

- 7.05 If the recipient of a scholarship withdraws, drops out, or is expelled on or after the first day of class of a payment period, the institution will determine whether the student received an overpayment of financial aid funds for non-institutional expenses.
- 7.05.1 Overpayment is the difference between the amount received as cash disbursements and the amount incurred for non-institutional costs during the portion of the payment period that the student was actually enrolled.
- 7.05.2 It is the institution's responsibility to contact students and recover overpayment(s).
- 7.05.3 The institution shall refund the overpayment(s) to ~~ADHE~~ the division.
- 7.06 If the award of a Governor's Higher Education Transition Program Scholarship results in an overpayment to the student per Ark. Code Ann. § 6-80-105, the institution shall follow the ADHE Scholarship Stacking Policy in reducing the student's financial package so that the student does not receive funds above the federally-recognized cost of attendance.

## **8.00 RESPONSIBILITIES OF QUALIFYING INSTITUTIONS**

- 8.01 The chief executive officer of the qualifying institution is responsible for appointing one representative from the financial aid office to act as administrator of the Governor's Higher Education Transition Scholarship Program and to receive all communications, forms, and other correspondence related to the program. This representative will be responsible for verification, data and compliance with all program rules.
- 8.02 The institution shall maintain information regarding disbursement of scholarship funds.
- 8.03 The deadline for disbursement of funds is no later than ten (10) days after receipt of funds.
- 8.03.1 Any outstanding funds not disbursed by these dates must be returned to ~~ADHE~~ the Division of Higher Education.
- 8.03.2 If ~~ADHE~~ the division receives an application beyond the deadline referenced in 8.03 of these rules, disbursement will be made within ten (10)

business days of receipt of the verification roster and electronic transfer of funds.

- 8.04 In exercising its due diligence requirements as a steward of state funds, ~~ADHE~~ the division shall periodically review the qualifying institution's records concerning this program.
- 8.05 Upon request, the qualifying institution shall exercise due diligence in providing ~~ADHE~~ the division with complete, accurate, and timely information regarding current and former Governor's Higher Education Transition Scholarship Program recipients.
- 8.06 Institutions with accredited transition programs will certify students' admittance and enrollment prior to scholarship award.
- 8.07 The institution shall comply with all applicable ~~ADHE~~ law and rules in order to maintain its status as a qualified institution.

## **9.00 RESPONSIBILITIES OF RECIPIENTS**

- 9.01 It is the recipient's responsibility to notify ~~ADHE~~ the Division of Higher Education of any change in status within twenty-one (21) days. ~~This will include, including the recipient's:~~
  - 9.01.1 Change in name;
  - 9.01.2 Change in address; and
  - 9.01.3 Change in institution.
- 9.02 Failure to notify ~~ADHE~~ the division of a change in status may affect future eligibility.

**QUESTIONNAIRE FOR FILING PROPOSED RULES WITH  
THE ARKANSAS LEGISLATIVE COUNCIL**

DEPARTMENT \_\_\_\_\_  
BOARD/COMMISSION \_\_\_\_\_  
BOARD/COMMISSION DIRECTOR \_\_\_\_\_  
CONTACT PERSON \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
PHONE NO. \_\_\_\_\_ EMAIL \_\_\_\_\_  
NAME OF PRESENTER(S) AT SUBCOMMITTEE MEETING \_\_\_\_\_  
PRESENTER EMAIL(S) \_\_\_\_\_

**INSTRUCTIONS**

In order to file a proposed rule for legislative review and approval, please submit this Legislative Questionnaire and Financial Impact Statement, and attach (1) a summary of the rule, describing what the rule does, the rule changes being proposed, and the reason for those changes; (2) both a markup and clean copy of the rule; and (3) all documents required by the Questionnaire.

If the rule is being filed for permanent promulgation, please email these items to the attention of Rebecca Miller-Rice, [miller-ricer@blr.arkansas.gov](mailto:miller-ricer@blr.arkansas.gov), for submission to the Administrative Rules Subcommittee.

If the rule is being filed for emergency promulgation, please email these items to the attention of Director Marty Garrity, [garritym@blr.arkansas.gov](mailto:garritym@blr.arkansas.gov), for submission to the Executive Subcommittee.

Please answer each question completely using layman terms.

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1. What is the official title of this rule?  
\_\_\_\_\_
2. What is the subject of the proposed rule? \_\_\_\_\_
3. Is this rule being filed under the emergency provisions of the Arkansas Administrative Procedure Act? Yes      No

*If yes, please attach the statement required by Ark. Code Ann. § 25-15-204(c)(1).*

If yes, will this emergency rule be promulgated under the permanent provisions of the Arkansas Administrative Procedure Act? Yes      No

4. Is this rule being filed for permanent promulgation? Yes No

If yes, was this rule previously reviewed and approved under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No

If yes, what was the effective date of the emergency rule? \_\_\_\_\_

On what date does the emergency rule expire? \_\_\_\_\_

5. Is this rule required to comply with a *federal* statute, rule, or regulation? Yes No

If yes, please provide the federal statute, rule, and/or regulation citation.

6. Is this rule required to comply with a *state* statute or rule? Yes No

If yes, please provide the state statute and/or rule citation.

7. Are two (2) rules being repealed in accord with Executive Order 23-02? Yes No

If yes, please list the rules being repealed.

If no, please explain.

8. Is this a new rule? Yes No

Does this repeal an existing rule? Yes No

If yes, the proposed repeal should be designated by strikethrough. If it is being replaced with a new rule, please attach both the proposed rule to be repealed and the replacement rule.

Is this an amendment to an existing rule? Yes No

If yes, all changes should be indicated by strikethrough and underline. In addition, please be sure to label the markup copy clearly as the markup.

9. What is the state law that grants the agency its rulemaking authority for the proposed rule, outside of the Arkansas Administrative Procedure Act? Please provide the specific Arkansas Code citation(s), including subsection(s).

10. Is the proposed rule the result of any recent legislation by the Arkansas General Assembly?  
Yes      No

If yes, please provide the year of the act(s) and act number(s).

11. What is the reason for this proposed rule? Why is it necessary?



12. Please provide the web address by which the proposed rule can be accessed by the public as provided in Ark. Code Ann. § 25-19-108(b)(1).

13. Will a public hearing be held on this proposed rule? Yes      No

If yes, please complete the following:

Date: \_\_\_\_\_

Time: \_\_\_\_\_

Place: \_\_\_\_\_

*Please be sure to advise Bureau Staff if this information changes for any reason.*

14. On what date does the public comment period expire for the permanent promulgation of the rule? Please provide the specific date. \_\_\_\_\_

15. What is the proposed effective date for this rule? \_\_\_\_\_

16. Please attach (1) a copy of the notice required under Ark. Code Ann. § 25-15-204(a)(1) and (2) proof of the publication of that notice.

17. Please attach proof of filing the rule with the Secretary of State, as required by Ark. Code Ann. § 25-15-204(e)(1)(A).

18. Please give the names of persons, groups, or organizations that you anticipate will comment on these rules. Please also provide their position (for or against), if known.

19. Is the rule expected to be controversial? Yes      No

If yes, please explain.

**FINANCIAL IMPACT STATEMENT**

**PLEASE ANSWER ALL QUESTIONS COMPLETELY.**

**DEPARTMENT** \_\_\_\_\_  
**BOARD/COMMISSION** \_\_\_\_\_  
**PERSON COMPLETING THIS STATEMENT** \_\_\_\_\_  
**TELEPHONE NO.** \_\_\_\_\_ **EMAIL** \_\_\_\_\_

To comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and email it with the questionnaire, summary, markup and clean copy of the rule, and other documents. Please attach additional pages, if necessary.

**TITLE OF THIS RULE** \_\_\_\_\_

1. Does this proposed, amended, or repealed rule have a financial impact?  
Yes                      No
  
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?  
Yes                      No
  
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes                      No

If no, please explain:

(a) how the additional benefits of the more costly rule justify its additional cost;

(b) the reason for adoption of the more costly rule;

(c) whether the reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and

(d) whether the reason for adoption of the more costly rule is within the scope of the agency's statutory authority, and if so, how.

4. If the purpose of this rule is to implement a *federal* rule or regulation, please state the following:  
(a) What is the cost to implement the federal rule or regulation?

**Current Fiscal Year**

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_

Total \_\_\_\_\_

**Next Fiscal Year**

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_

Total \_\_\_\_\_

(b) What is the additional cost of the state rule?

**Current Fiscal Year**

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_

Total \_\_\_\_\_

**Next Fiscal Year**

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_

Total \_\_\_\_\_

5. What is the total estimated cost by fiscal year to any private individual, private entity, or private business subject to the proposed, amended, or repealed rule? Please identify those subject to the rule, and explain how they are affected.

**Current Fiscal Year**

\$ \_\_\_\_\_

**Next Fiscal Year**

\$ \_\_\_\_\_

6. What is the total estimated cost by fiscal year to a state, county, or municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

**Current Fiscal Year**

\$ \_\_\_\_\_

**Next Fiscal Year**

\$ \_\_\_\_\_

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes      No

If yes, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
  - (a) justifies the agency's need for the proposed rule; and
  - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
  - (a) the rule is achieving the statutory objectives;
  - (b) the benefits of the rule continue to justify its costs; and
  - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.



## Division of Higher Education

101 E. Capitol Ave., Suite 300 • Little Rock, Arkansas • 72201 • (501) 371-2000

Jacob Oliva  
Secretary

Ken Warden, Ph.D.  
Commissioner

February 12, 2024

### **Division Of Higher Education Rule Governing The Governor's Higher Education Transition Scholarship Program**

#### **PURPOSE**

The Division of Higher Education is seeking Governor's Office review and approval of the proposed amendments to the Rule Governing The Governor's Higher Education Transition Scholarship Program.

#### **BACKGROUND**

This rule is being promulgated because of recent legislation that requires institutions of higher education to allow scholarship funds to be spent on courses offered during a summer term.

#### **KEY POINTS**

- Requires institutions of higher education to allow students to spend scholarship funds on courses offered during a summer term.

#### **DISCUSSION**

Act 413 of 2023 amended the Arkansas Code to allow students who are recipients of scholarship funds to spend those scholarship funds on courses offered during a summer term. This rule amendment reflects the legislative change.

#### **RECOMMENDATION**

The Division of Higher Education recommends Governor's Office approval of this rule.

## Notice of Rulemaking

Pursuant to Arkansas Code Annotated § 25-15-201 et seq., notice is hereby given that the Division of Higher Education is considering new administrative rules. Public comment hearings will be held for the following rules: DHE Rule Governing The Arkansas Teacher Academy Scholarship Program; DHE Rule Governing The Arkansas Concurrent Challenge Scholarship Program; DHE Rule Governing The Arkansas Future Grant Program; DHE Rule Governing The Arkansas Governor's Scholars Program; DHE Rule Governing The Arkansas Workforce Challenge Scholarship Program; DHE Rule Governing The Governor's Higher Education Transition Scholarship Program; DHE Rule Governing Productivity-Based Funding for State-Supported Institutions of Higher Education. All hearings will be held May 20, 2024, at the Arkansas Department of Education, Arch Ford Building, Four Capitol Mall, Little Rock, AR, 72201. The public comment period for these rules ends on June 6, 2024. Written comments regarding these proposed rules may be mailed to ADE Legal Services, Four Capitol Mall, Room 302A, Little Rock, AR, 72201. Comments may be emailed to [ADE.RulesComments@ade.arkansas.gov](mailto:ADE.RulesComments@ade.arkansas.gov). A copy of the proposed rules can be found on the Division of Higher Education's website at: <https://adhe.edu/data-publications/pending-policies>. Copies also may be obtained by contacting ADE's Office of Legal Services at the above address, via phone at (501) 683-1390, or via email at [legal@ade.arkansas.gov](mailto:legal@ade.arkansas.gov).

## FW: Notice of Rulemaking

Stephen Reynolds (ADE) <Stephen.Reynolds@ade.arkansas.gov>

Wed 5/1/2024 8:39 AM

To: LaBria Brown (ADE) <LaBria.Brown@ade.arkansas.gov>

Stephen M. Reynolds  
Attorney Specialist  
Arkansas Department of Education

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**From:** Legal Ads <legalads@arkansasonline.com>

**Sent:** Tuesday, April 30, 2024 5:30 PM

**To:** Stephen Reynolds (ADE) <Stephen.Reynolds@ade.arkansas.gov>

**Subject:** Re: Notice of Rulemaking

**Caution:** This is an external email and may contain a suspicious subject or content. Please take care when clicking links or opening attachments. When in doubt, contact [ADE IT Services](#).

Will run Fri 5/3, Sat 5/4, and Sun 5/5.

Thank you.

Gregg Sterne, Legal Advertising  
Arkansas Democrat-Gazette  
[legalads@arkansasonline.com](mailto:legalads@arkansasonline.com)

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**From:** "Stephen Reynolds, ADE" <[Stephen.Reynolds@ade.arkansas.gov](mailto:Stephen.Reynolds@ade.arkansas.gov)>

**To:** "legalads" <[legalads@arkansasonline.com](mailto:legalads@arkansasonline.com)>

**Cc:** "Andres Rhodes (ADE)" <[Andres.Rhodes@ade.arkansas.gov](mailto:Andres.Rhodes@ade.arkansas.gov)>, "LaBria Brown, ADE" <[LaBria.Brown@ade.arkansas.gov](mailto:LaBria.Brown@ade.arkansas.gov)>, "Alisha N. Price (ADE)" <[Alisha.Price@ade.arkansas.gov](mailto:Alisha.Price@ade.arkansas.gov)>, "Whitney James, ADE" <[Whitney.James@ade.arkansas.gov](mailto:Whitney.James@ade.arkansas.gov)>

**Sent:** Monday, April 29, 2024 10:58:25 AM

**Subject:** Notice of Rulemaking

Good morning,

Please find attached a notice of rulemaking for several Division of Higher Education administrative rules and confirm receipt. Please run for three consecutive days, from Friday, May 3, 2024, through Sunday, May 5, 2024. Let me know if you have any questions.

Thanks,

Stephen M. Reynolds  
Associate Legal Counsel  
Arkansas Department of Education  
4 Capitol Mall, Suite 302  
Little Rock, Arkansas 72201  
Office: (501) 682-4899

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