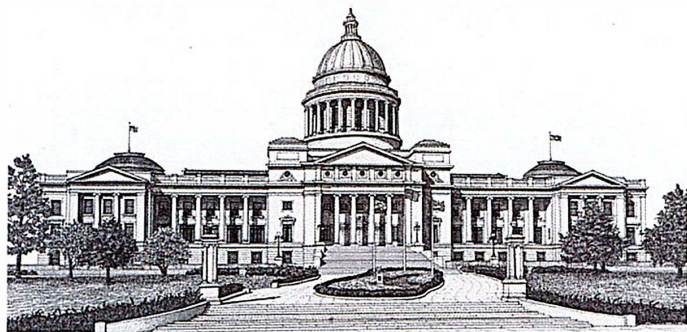


# ARKANSAS REGISTER

## Transmittal Sheet

Use only for **FINAL** and **EMERGENCY RULES**



Secretary of State

**Mark Martin**

500 Woodlane, Suite 026

Little Rock, Arkansas 72201-1094

(501) 682-5070

[www.sos.arkansas.gov](http://www.sos.arkansas.gov)



For Office

Use Only:

Effective Date \_\_\_\_\_ Code Number \_\_\_\_\_

Name of Agency Arkansas Department of Education

Department Division of Higher Education

Contact Courtney Salas-Ford E-mail courtney.salas-ford@ade.arkansas.gov Phone (501) 682-4227

Statutory Authority for Promulgating Rules Ark. Code Ann. § 6-82-601; § 6-80-109

Rule Title: Division of Higher Education Rules Governing the Military Dependents' Scholarship Program

Intended Effective Date

(Check One)

Date

☐ Emergency (ACA 25-15-204)

Legal Notice Published ..... Jul. 28, 2024

☒ 10 Days After Filing (ACA 25-15-204)

Final Date for Public Comment ..... Aug. 28, 2024

☐ Other \_\_\_\_\_  
(Must be more than 10 days after filing date.)

Reviewed by Legislative Council ..... Oct. 17, 2024

Adopted by State Agency ..... Sep. 9, 2024

Electronic Copy of Rule e-mailed from: (Required under ACA 25-15-218)

Alisha Price

alisha.price@ade.arkansas.gov

Oct. 21, 2024

Contact Person

E-mail Address

Date

### CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted  
In Compliance with the Arkansas Administrative Act. (ACA 25-15-201 et. seq.)

  
\_\_\_\_\_  
Signature

(501) 682-7590

alisha.price@ade.arkansas.gov

Phone Number

E-mail Address

Associate Legal Counsel

Title

Oct. 21, 2024

Date

**DIVISION OF HIGHER EDUCATION RULES GOVERNING THE  
MILITARY DEPENDENTS' SCHOLARSHIP PROGRAM**

**Effective Date: October 31, 2024**

**1.00 ORGANIZATION AND STRUCTURE**

- 1.01 The Division of Higher Education shall administer the Military Dependents' Scholarship Program within the policies set by the Higher Education Coordinating Board.
  - 1.01.1 All formal communications shall be addressed to or signed by the commissioner of the division or his or her designee.
- 1.02 The final responsibility for determining eligibility of scholarship recipients shall rest with the commissioner pursuant to the provisions of Act 188 of 1973, Act 2127 of 2005, Act 717 of 2007, Act 1216 of 2009 and subsequent legislation.
- 1.03 When functioning under Act 188 of 1973, Act 2127 of 2005, Act 717 of 2007, Act 1216 of 2009 and subsequent legislation, the division shall follow the provisions of the Administrative Procedures Act

**2.00 PROGRAM DEFINITIONS**

- 2.01 The following definitions are used in the Military Dependents' Scholarship Program:
  - 2.01.1 "Approved institution" means a private, nonprofit institution of higher education in Arkansas, or state-supported institution of higher education or technical school located in Arkansas, that is accredited by the Higher Learning Commission, or has achieved candidacy status, and does not discriminate against applicants, or employees on the basis of race, color, religion, sex, age, handicap, or national origin, consistent with the provisions of applicable state and federal laws.
  - 2.01.2 "Dependent child" means any child born or conceived, legally adopted, or under court appointed legal guardianship, or the stepchild of a person who has been declared to be a prisoner of war or missing or killed in action, or killed on ordnance delivery, or a disabled veteran, and who meets the definition of dependent with regards to children established by the U.S. Department of Education.
  - 2.01.3 "Dependent spouse" means the legal spouse of a person who has been declared to be a prisoner of war or missing or killed in action, or killed on ordnance delivery, or a disabled veteran.
  - 2.01.4 "Disabled veteran" means a person who:

- 2.01.4.1 Has been declared by the Federal Department of Veterans Affairs to be one hundred percent (100%) totally and permanently disabled as a result of service-connected injuries or medical conditions; and
- 2.01.4.2 Is currently receiving special monthly compensation for such, and who was a resident of the State of Arkansas at the time that person entered the service of the U.S. Armed Forces or who is a current resident of Arkansas.
- 2.01.5 “Full-time student” means an undergraduate student enrolled in at least twelve (12) semester credit hours, or its equivalent, per semester.
- 2.01.6 “Satisfactory progress” means undergraduate students must maintain a cumulative college grade point average of at least 2.0 on a 4.0 scale and make satisfactory progress toward a degree or certificate of completion, as defined by the institution.
- 2.01.7 “Fees waived” means the inclusion of tuition at the in-state rate, room and board when provided in campus facilities, fees or other charges incurred from the approved institution.
  - 2.01.7.1 Non-reimbursable charges would include any penalty charges, including but not limited to parking tickets, or other penalty payments.

### **3.00 SCHOLARSHIP ELIGIBILITY CRITERIA**

- 3.01 To be eligible for the Military Dependents’ Scholarship, an applicant must meet the following conditions:
  - 3.01.1 The student's parent or spouse must have been declared to be a disabled veteran, prisoner of war, missing in action, killed in action, or killed on ordnance delivery during the course of active military duty after January 1, 1960;
  - 3.01.2 The student's parent or spouse must have been a resident of the State of Arkansas at the time he or she entered service in the United States Armed Services, or whose official residence is currently within the State of Arkansas;
  - 3.01.3 The dependent child or spouse of a person declared to be a prisoner of war or missing or killed in action, or a person killed on ordnance delivery, or a disabled veteran must be a current resident of Arkansas;

- 3.01.4 The student must qualify as the dependent of a disabled veteran, prisoner of war or a person declared to be missing or killed in action, or killed on ordnance delivery by meeting one of the following criteria:
  - 3.01.4.1 The student is the legal spouse of a person declared to be a prisoner of war, missing or killed in action, or killed on ordnance delivery or a person declared to be a disabled veteran;
  - 3.01.4.2 The dependent child must be the biological child of the parent who was declared to be a prisoner of war or missing or killed in action, or killed on ordnance delivery, or a disabled veteran;
  - 3.01.4.3 The dependent child is legally adopted or in legal custody of the guardian that was declared to be a prisoner of war or missing or killed in action or killed on ordnance delivery, or a disabled veteran; or
  - 3.01.4.4 The dependent child is the stepchild of the parent that was declared to be a prisoner of war or missing or killed in action or killed on ordnance delivery, or a disabled veteran.
- 3.01.5 The dependent child must meet the U.S. Department of Education's definition of "dependent" with regards to children;
- 3.01.6 A stepchild must have been listed as a dependent on the federal and state income tax returns in each of the five (5) income tax years immediately prior to the death or total and permanent disability and must have received more than one-half (1/2) his or her financial support;
- 3.01.7 The applicant must apply for the Dependents' Educational Assistance Program (DEA) Chapter 35 of Title 38 of the U.S. Code with the Department of Veterans Affairs;
- 3.01.8 The applicant must be enrolled or accepted for enrollment as a full-time student in any private, nonprofit institution of higher education in Arkansas or state-supported institution of higher education in Arkansas;
- 3.01.9 The applicant must be an undergraduate student seeking an associate's degree, a baccalaureate degree or certificate of completion; and
- 3.01.10 The applicant must apply for the scholarship prior to the published deadline to receive the scholarship.
  - 3.01.10.1 Reimbursement can only be made for the year in which the student is currently enrolled and has made an application.

- 3.02 Once a person qualifies as an eligible student under the terms of the program, there shall be no situation, such as the return of a parent or spouse, or the reported death of a parent or spouse that will remove the dependent from the benefits of this program.
- 3.03 An eligible recipient shall receive a scholarship for one (1) academic year, renewable for up to three (3) additional academic years (for a total of eight (8) semesters) if the recipient meets the following continuing eligibility criteria established by the Division of Higher Education:
  - 3.03.1 The student must maintain a cumulative grade point average of at least 2.0 on a 4.0 scale;
  - 3.03.2 The student is making satisfactory progress toward a degree or certificate of completion; and
  - 3.03.3 The student is enrolled in at least twelve semester (12) hours or the equivalent per term and completes twenty-four (24) semester hours, or the equivalent, per academic year.
- 3.04 For purposes of scholarship payments, “academic semester” includes summer terms, semesters, quarters, or their equivalent, at the postsecondary institution in which the student is enrolled.

#### **4.00 APPLICATION PROCESS**

- 4.01 Brochures are mailed by the Division of Higher Education to counselors and principals at public and private Arkansas high schools.
- 4.02 Brochures are mailed by the division to financial aid officers at private, nonprofit institutions of higher education and state-supported institutions of higher education in the state.
  - 4.02.1 The institutional financial aid officer is responsible for ensuring that eligible students are made aware of the Military Dependents’ Scholarship Program and its benefits.
- 4.03 Applications will be made available on the division’s website.
- 4.04 The division shall establish the deadline for receipt of applications and the deadline date shall be clearly printed on the application.
- 4.05 Scholarship applicants shall submit to the division the following documentation as it applies to the applicant:
  - 4.05.1 Military Dependents’ Scholarship Application;

- 4.05.2 A death certificate or other documentation certifying the death of the parent or spouse;
  - 4.05.2.1 A death as a result of injuries received while serving in the armed forces is only covered if the death occurred while on active duty.
- 4.05.3 A Report of Casualty from the appropriate branch of the United States Armed Services or a copy of the veteran's DD214 form;
- 4.05.4 Documentation from the United States Department of Veterans Affairs citing service-connected, one hundred percent (100%) total and permanent disability;
- 4.05.5 A copy of the application and statement of acceptance or denial of the federal program for dependents of veterans, Dependents' Educational Assistance Program (DEA);
- 4.05.6 A copy of DEA benefits statement showing the amount of educational assistance allowed for each term;
- 4.05.7 A copy of legal adoption or court appointed legal guardianship for a dependent child;
- 4.05.8 A copy of birth certificate, if a dependent child; and
- 4.05.9 A copy of marriage license, if a spouse.

## **5.00 AWARD PROCESS**

- 5.01 Applications and supporting documentation will be reviewed for completeness and to determine whether the applicant meets all the eligibility requirements.
  - 5.01.1 Applicants will be notified within thirty (30) days of the status of their application.
- 5.02 Eligible students will receive an award notice, which contains the conditions of the award, the requirements for continued eligibility, an explanation of the benefits, and the student's responsibilities.
- 5.03 The institution will also receive an award notice, which contains the student's name, social security number, award limits, the conditions of the award, verification process, and payment process.

- 5.03.1 The institution will be required to complete a Reimbursement Form listing all charges covered by this program.
- 5.04 The institution will be responsible for verifying the student's continued eligibility each semester.
- 5.05 The award will be renewed annually provided the student satisfies the continued eligibility requirements as defined by the Division of Higher Education in "Scholarship and Eligibility Criteria," section 3.00.
- 5.06 Reimbursement can only be made for the year in which the student is currently enrolled and has made an application.

## **6.00 SCHOLARSHIP PAYMENT POLICIES**

- 6.01 The scholarship will pay that portion of charges that exceeds the amount of the DEA educational assistance allowance or the full amount if the recipient is ineligible for DEA but is eligible for the MDS.
  - 6.01.1 Reimbursement is limited to the cost of tuition at the in-state rate, mandatory fees, and a room and meal plan when provided in campus facilities from such an institution or school.
  - 6.01.2 The amount reimbursed for the room shall not exceed the usual and custom amounts charged by the institution as for similar scholarship programs.
- 6.02 Payment on behalf of the scholarship recipient will be made directly to the recipient's institution.
  - 6.02.1 The Division of Higher Education will reimburse the institution at the beginning of each semester for approved charges covered by this program upon receipt of the Reimbursement Form, and verification of the charges.
  - 6.02.2 Reimbursement can only be made for the year in which the student is currently enrolled and has made application
- 6.03 The division will pay the institution for the award covered by this program upon receipt of the Reimbursement Form, and verification of the charges.
- 6.04 A recipient who has received a Military Dependents' Scholarship may transfer to another eligible institution after providing written notification of the change of status to the division by October 1 for a fall term, February 1 for a winter or spring term, and June 1 for a summer term.

- 6.04.1 Failure to notify the division of the transfer by the deadline will disqualify the student for waiver of tuition and fees at the institution to which he or she has transferred.
- 6.05 Recipients may withdraw from the Military Dependents' Scholarship Program upon written notification to, and approval by, the division.
  - 6.05.1 The petition shall give the reason for withdrawal and will be supported with documentation.
  - 6.05.2 Recipients who withdraw from school and fail to notify the division by October 1 for the Fall term, February 1 for the Winter and/or Spring terms, and June 1 for the Summer terms will not be eligible for a tuition waiver for that semester.
  - 6.05.3 The recipient may receive the tuition waiver if he or she can demonstrate that extraordinary circumstances prevented him or her from notifying the division.
- 6.06 The award will be permanently revoked if the recipient fails to enroll full-time and the division receives neither written notification of transfer to another eligible institution, nor a petition for withdrawal by the recipient by October 1 for the Fall Term, February 1 for the Winter/Spring Terms and June 1 for the Summer Terms.
  - 6.06.1 At the discretion of the division, the award will not be revoked if the division determines that extraordinary circumstances prevented the student from notifying the division by the required dates.
- 6.07 Recipients who are members of the Arkansas National Guard or Armed Forces Reserve units who are called to active duty for reasons other than regular unit training and are unable to complete the current term will not be penalized.
  - 6.07.1 They will be placed in deferred status until six (6) months after release from active duty.
- 6.08 Act 1180 of 1999 states that students who receive scholarships from public funds may not use those funds in a financial aid package to exceed the federally recognized cost of attendance at the institution where the student enrolls.
  - 6.08.1 The institution must follow division policy in repaying public funds in the amount exceeding the total cost of attendance for any student who receives public funds in a financial aid package above the cost of attendance.
- 6.09 The state assistance awarded to a dependent attending a private, nonprofit institution of higher education in this state shall not exceed the amount of state



assistance awarded to dependents attending state-supported institutions of higher education.

## **7.00 INSTITUTIONAL RESPONSIBILITIES**

- 7.01 The chief executive officer of the state-supported institution of higher education is responsible for appointing one representative from the Financial Aid Office to act as administrator of the Military Dependents' Scholarship Program and to receive all communications and forms issued by the Division of Higher Education.
  - 7.01.1 This representative is responsible for completing all forms, verification of data, and complying with all program rules and regulations.
  - 7.01.2 The institution must comply with these responsibilities to maintain continued eligibility status.
- 7.02 The institution shall provide verification to the division at the close of each term concerning the student's name and continuing eligibility.
  - 7.02.1 This is accomplished using the Verification Form issued by the division.
  - 7.02.2 Reimbursement to the institution will be made after the institution has completed the Verification Form and the Reimbursement Form and returned them to the division.
- 7.03 Institutions will be responsible for exercising all reasonable efforts to identify students eligible for the program.
  - 7.03.1 Reimbursement can only be made for the year in which the student is currently enrolled and has made an application.
- 7.04 The deadline for disbursement of funds is no later than ten (10) days after written receipt of funds and any outstanding funds not disbursed must be returned to the division.
- 7.05 It is the institution's responsibility to notify the division of the names of persons owing a refund, the date of the withdrawal and the refund amount.
  - 7.05.1 This information should be placed on the institution's verification roster before returning it to the division.
- 7.06 The institution will exercise due diligence in providing complete, accurate, and timely information as requested by the division on any scholarship recipient.

- 7.06.1 In addition, the institution will exercise due diligence in complying with all the rules and regulations of the Military Dependents' Scholarship Program.

## **8.00 RECIPIENT RESPONSIBILITIES**

- 8.01 It is the recipient's responsibility to notify the Division of Higher Education, in writing, of any change in status within twenty-one (21) days. This includes:
  - 8.01.1 Change in name;
  - 8.01.2 Change in address;
  - 8.01.3 Change in Institution;
  - 8.01.4 Change in full-time status; or
  - 8.01.5 Withdrawal from an institution.
- 8.02 Failure to notify the division of any change in status may affect future eligibility.

**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.