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Proposed Rulemaking

Title

Promulgated by:
Division of Higher Education

Title 6. Education

Chapter IV. Division of Higher Education, Department of Education

Subchapter B. Scholarships and Grants

Part 393. Rules Governing the Military Dependents' Scholarship Program

Subpart 1. Generally

6 CAR § 393-101. Organization and structure.

(a)(1) The Division of Higher Education shall administer the Military Dependents' Scholarship Program within the policies set by the Arkansas Higher Education Coordinating Board.

(2) All formal communications shall be addressed to or signed by the Director of the Division of Higher Education or his or her designee.

(b) The final responsibility for determining eligibility of scholarship recipients shall rest with the Commissioner of the Division of Higher Education pursuant to the provisions of Acts 1973, No. 188, Acts 2005, No. 2127, Acts 2007, No. 717, Acts 2009, No. 1216, and subsequent legislation.

(c) When functioning under Acts 1973, No. 188, Acts 2005, No. 2127, Acts 2007, No. 717, Acts 2009, No. 1216, and subsequent legislation, the division shall follow the provisions of the Arkansas Administrative Procedure Act, Arkansas Code § 25-15-201 et seq.

6 CAR § 393-102. Program definitions.

The following definitions are used in the Military Dependents' Scholarship program:

(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) "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 United States Department of Education;

(3) "Dependent spouse" means the legal spouse of a person who has been declared to be:

(A) A prisoner of war;

(B) Missing;

(C) Killed in action;

(D) Killed on ordnance delivery; or

(E) A disabled veteran;

(4) "Disabled veteran" means a person who:

(A) Who has been declared by the United States Department of Veterans Affairs to be one hundred percent (100%) totally and permanently disabled as a result of service-connected injuries or medical conditions;

(B) Who is currently receiving special monthly compensation for such; and

(C) Who:

(i) Was a resident of the State of Arkansas at the time that person entered the service of the United States Armed Forces; or

(ii) Is a current resident of Arkansas;

(5)(A) "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.

(B) Nonreimbursable charges would include any penalty charges, including but not limited to:

(i) Parking tickets; or

(ii) Other penalty payments;

(6) "Full-time student" means an undergraduate student enrolled in at least twelve (12) semester credit hours, or the equivalent, per semester; and

(7) "Satisfactory progress" means undergraduate students must:

(A) Maintain a cumulative college grade point average of at least 2.0 on a 4.0 scale; and

(B) Make satisfactory progress toward a degree or certificate of completion, as defined by the institution.

6 CAR § 393-103. Scholarship eligibility criteria.

(a) To be eligible for the Military Dependents' Scholarship, an applicant must meet the following conditions:

(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;

(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) 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;

(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 (1) of the following criteria:

(A) The student is the legal spouse of a person declared to be a prisoner of war, missing or killed in action, killed on ordnance delivery, or a person declared to

be a disabled veteran;

(B) 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, killed on ordnance delivery, or a disabled veteran;

(C) The dependent child is legally adopted or in legal custody of the guardian who was declared to be:

(i) A prisoner of war;

(ii) Missing;

(iii) Killed in action;

(iv) Killed on ordnance delivery; or

(v) A disabled veteran; or

(D) The dependent child is the stepchild of the parent who was declared to be:

(i) A prisoner of war;

(ii) Missing;

(iii) Killed in action;

(iv) Killed on ordnance delivery; or

(v) A disabled veteran;

(5) The dependent child must meet the United States Department of Education's definition of "dependent" with regards to children;

(6) A stepchild must have:

(A) 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

(B) Received more than one-half (1/2) his or her financial support;

(7) The applicant must apply for the Survivors' and Dependents' Educational Assistance program, Chapter 35 of Title 38 of the United States Code, with the United States Department of Veterans Affairs;

(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;

(9) The applicant must be an undergraduate student seeking an:

(A) Associate degree;

(B) Baccalaureate degree; or

(C) Certificate of completion; and

(10)(A) The applicant must apply for the scholarship prior to the published deadline in order to receive the scholarship.

(B) Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

(b) 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.

(c) 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:

(1) The student must maintain a cumulative grade point average of at least 2.0 on a 4.0 scale;

(2) The student is making satisfactory progress toward a degree or certificate of completion; and

(3) The student is enrolled in at least twelve (12) semester hours or the equivalent per term and completes twenty-four (24) semester hours, or the equivalent, per academic year.

(d) 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.

6 CAR § 393-104. Application process.

(a) Brochures are mailed by the Division of Higher Education to counselors and

principals at public and private Arkansas high schools.

(b)(1) 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.

(2) The institutional financial aid officer is responsible for ensuring that eligible students are made aware of the Military Dependents' Scholarship Program and its benefits.

(c) Applications will be made available on the division's website.

(d)(1) The division shall establish the deadline for receipt of applications.

(2) The deadline date shall be clearly printed on the application.

(e) Scholarship applicants shall submit to the division the following documentation as it applies to the applicant:

(1) Military Dependents' Scholarship application;

(2)(A) A death certificate or other documentation certifying the death of the parent or spouse.

(B) 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;

(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) Documentation from the United States Department of Veterans Affairs citing service-connected, one-hundred-percent total and permanent disability;

(5) A copy of the application and statement of acceptance or denial of the federal program for dependents of veterans, Survivors' and Dependents' Educational Assistance program;

(6) A copy of Survivors' and Dependents' Education Assistance program benefits statement showing the amount of educational assistance allowed for each term;

(7) A copy of legal adoption or court appointed legal guardianship for a dependent child;

(8) A copy of birth certificate, if a dependent child; and

(9) A copy of marriage license, if a spouse.

6 CAR § 393-105. Award process.

(a)(1) Applications and supporting documentation will be reviewed for completeness and to determine whether the applicant meets all the eligibility requirements.

(2) Applicants will be notified within thirty (30) days of the status of their application.

(b) Eligible students will receive an award notice, which contains:

(1) The conditions of the award;

(2) The requirements for continued eligibility;

(3) An explanation of the benefits; and

(4) The student's responsibilities.

(c)(1) The institution will also receive an award notice, which contains the:

(A) Student’s name and social security number;

(B) Award limits;

(C) Conditions of the award;

(D) Verification process; and

(E) Payment process.

(2) The institution will be required to complete a reimbursement form listing all charges covered by this program.

(d) The institution will be responsible for verifying the student's continued eligibility each semester.

(e) The award will be renewed annually provided the student satisfies the continued eligibility requirements as defined by the Division of Higher Education in 6 CAR § 393-103.

(f) Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

6 CAR § 393-106. Scholarship payment policies.

(a)(1) The scholarship will pay that portion of charges that exceeds the amount of the Survivors' and Dependents' Education Assistance program educational assistance allowance or the full amount if the recipient is ineligible for the Survivors' and Dependents' Education Assistance program, but is eligible for the MDS.

(2) 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 institution or school.

(3) The amount reimbursed for the room shall not exceed the usual and custom amounts charged by the institution as for similar scholarship programs.

(b)(1) Payment on behalf of the scholarship recipient will be made directly to the recipient's institution.

(2) 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.

(3) Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

(c) The division will pay the institution for the award covered by this program upon receipt of the reimbursement form, and verification of the charges.

(d)(1) 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:

(A) October 1 for a fall term;

(B) February 1 for a winter or spring term; and

(C) June 1 for a summer term.

(2) 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.

(e)(1) Recipients may withdraw from the Military Dependents' Scholarship Program upon written notification to, and approval by, the division.

(2) The petition shall give the reason for withdrawal and will be supported with

documentation.

(3) 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.

(4) The recipient may receive the tuition waiver if he or she can demonstrate that extraordinary circumstances prevented him or her from notifying the division.

(f)(1) 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:

(A) October 1 for the fall term;

(B) February 1 for the winter/spring terms; and

(C) June 1 for the summer terms.

(2) 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.

(g)(1) 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.

(2) They will be placed in deferred status until six (6) months after release from active duty.

(h)(1) Acts 1999, No. 1180, 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.

(2) 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.

(i) 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.

6 CAR § 393-107. Institutional responsibilities.

(a)(1) The chief executive officer of the state-supported institution of higher education is responsible for appointing one (1) 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.

(2) This representative is responsible for:

(A) Completing all forms;

(B) Verification of data; and

(C) Complying with all program rules.

(3) The institution must comply with these responsibilities in order to maintain continued eligibility status.

(b)(1) The institution shall provide verification to the division at the close of each term concerning the student's name and continuing eligibility.

(2) This is accomplished using the verification form issued by the division.

(3) 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.

(c)(1) Institutions will be responsible for exercising all reasonable efforts to identify students eligible for the program.

(2) Reimbursement can only be made for the year in which the student is currently enrolled and has made application.

(d)(1) The deadline for disbursement of funds is no later than ten (10) days after written receipt of funds.

(2) Any outstanding funds not disbursed must be returned to the division.

(e)(1) 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.

(2) This information should be placed on the institution's verification roster before returning it to the division.

(f)(1) The institution will exercise due diligence in providing complete, accurate,

and timely information as requested by the division on any scholarship recipient.

(2) In addition, the institution will exercise due diligence in complying with all the rules of the Military Dependents' Scholarship program.

6 CAR § 393-108. Recipient responsibilities.

(a) 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.

(b) This includes:

(1) Changes in name;

(2) Change in address;

(3) Change in institution;

(4) Change in full-time status; or

(5) Withdrawal from an institution.

(c) Failure to notify the division of any change in status may affect future eligibility.

6 CAR § 393-109. Sunset.

(a)(1) Beginning with the 2025-2026 academic year, the Arkansas Heroes Scholarship shall replace the Military Dependent's Scholarship Program for new applicants.

(A) Students currently receiving a scholarship pursuant to this part shall continue receiving the scholarship unless:

(i) The student completes their degree; or

(ii) The student fails to maintain eligibility.

(2) The provisions of this part shall sunset before the fall 2028 semester begins.