

**ARKANSAS SENATE**  
84th General Assembly - Second Extraordinary Session, 2003  
**Amendment Form**

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**Subtitle of Senate Bill No. 33**  
"AN ACT TO BE KNOWN AS THE ARKANSAS STUDENT ASSESSMENT AND  
EDUCATIONAL ACCOUNTABILITY ACT OF 2003."  
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**Amendment No. 1 to Senate Bill No. 33.**

Amend Senate Bill No. 33 as originally introduced:

Add Senator Wilkinson as a cosponsor of the bill

AND

Delete everything following the enacting clause and substitute the following:

"SECTION 1. Arkansas Code § 6-15-404 is amended to read as follows:  
6-15-404. Program implementation.

(a) The State Board of Education ~~will~~ shall establish clear, specific, and challenging academic content standards which define what students shall know and be able to do in each content area. Instruction in all public schools shall be based on these academic content standards.

(b) The state board shall establish a schedule for periodic review and revision of academic content standards to ensure that Arkansas academic content standards are rigorous and equip students to compete in the global work force.

(c) The state board shall include the following elements in the periodic review and revision of Arkansas academic content standards:

- (1) External review by outside content standards experts;
- (2) Review and input by higher education, workforce education, and community members;
- (3) Study and consideration of academic content standards from across the nation and the international level as appropriate;
- (4) Study and consideration of evaluation from national groups or organizations as appropriate;
- (5) Revisions by committees of Arkansas teachers and instructional supervisor personnel from public schools, assisted by teachers from institutions of higher education; and
- (6) Public dissemination of revised academic content standards at the state board meeting and Department of Education website.

(d) The state board shall establish a clear concise system of reporting the academic performance of each school on the state-mandated criterion-referenced exam which conforms with the requirements of the No



Child Left Behind Act of 2001.

(e) The state board shall develop and the department shall implement a developmentally appropriate uniform school readiness screening to validate a child's school readiness as part of a comprehensive evaluation design. Beginning with the 2004-2005 school year, the department shall require that all school districts administer the uniform school readiness screening to each kindergarten student in the district school system upon the student's entry into kindergarten. Children who enter public school for the first time in first grade must be administered the uniform school readiness screening developed for use in the first grade.

(f)(1) The department shall select a developmentally appropriate assessment to be administered to all students in first grade and second grade in reading and mathematics.

(2) Professional development activities shall be tied to the comprehensive school improvement plan and designed to increase student learning and achievement.

(3) Longitudinal and trend data collection shall be maintained for the purposes of improving student and school performance.

(4) A public school or public school district classified as in "school improvement" shall develop and file with the department a comprehensive school improvement plan designed to ensure that all students demonstrate proficiency on all portions of state-mandated criterion-referenced assessment. The comprehensive school improvement plan shall include strategies to address the achievement gap existing for any identifiable group or subgroup as identified in the Arkansas Comprehensive Testing, Assessment, and Accountability Program and the gap of that subgroup from the academic standard.

~~(g)(1) The department shall develop and implement testing for public school students at the primary and middle level grades, as well as end-of-course testing, which is criterion-referenced and which measures application of knowledge and skills in reading and writing literacy, mathematics and, as funds are available, in science and social studies.~~

~~(2) The department shall test public school students in a manner and with a nationally norm referenced test to be selected by the state board.~~

~~(3) The state board shall establish expected levels of achievement on the criterion-referenced examinations for all areas of assessment and accountability.~~

~~(4) The State of Arkansas shall participate in the administration of the National Assessment of Educational Progress Examinations. By July 1, 2006, the department shall develop and implement a criterion-referenced testing program which is valid, reliable, externally linked to a national norm and vertically scaled for public school students grades three through eight (3-8), which measures application of knowledge and skills in reading and writing literacy, mathematics, and, as funds are available, in science and social studies.~~

~~(2) The testing program shall be adopted by the state board and shall be known as the Arkansas Comprehensive Assessment Program exams. These exams shall be used as the assessment portion of the Arkansas Comprehensive Testing, Assessment, and Accountability Program to determine school and district performance awards and sanctions.~~

~~(3) The board shall establish expected levels of achievement on the Arkansas Comprehensive Assessment Program exams.~~

(4) The State of Arkansas shall participate in the administration of the National Assessment of Educational Progress examinations.

~~(h) Any student failing to achieve the established standard on the criterion referenced examinations shall be evaluated by school personnel, who shall jointly develop an academic improvement plan to assist the student in achieving the expected standard in subject areas where performance is deficient.~~ Any student failing to achieve the established standard on the Arkansas Comprehensive Assessment Program exams shall be evaluated by school personnel, who shall jointly develop with the student's parents an academic improvement plan to assist the student in achieving the expected standard in subject areas where performance is deficient.

(i)(1) Each school shall develop one (1) comprehensive, long-range school improvement plan focused on student achievement and shall be reported to the public.

~~(2)(A) Any school that fails to achieve established levels of student performance on criterion referenced tests and related indicators, as defined by rule and regulation, shall implement a comprehensive school improvement plan accepted by the department. This improvement plan shall assist those students performing below grade level in achieving the established standard.~~ Any school that fails to achieve expected levels of student performance on the Arkansas Comprehensive Assessment Program exams and related indicators, as defined in this subchapter, shall participate in a school improvement plan accepted by the department. This improvement plan shall assist those students performing below-grade level in achieving the expected standard.

~~(B) This plan shall be part of each school's long range comprehensive school improvement plan and shall be reported to the public.~~

~~(C)(B)~~ Progress on improved achievement shall be included as part of the school's and school district's annual report to the public.

(j) The department and the local school districts shall annually compile and disseminate to the public results of all required examinations. The results of the end-of-course testing shall become a part of each student's transcript or permanent record and shall be recorded on these documents in a manner prescribed by the state board.

(k)(1) Parents, students, families, educational institutions, and communities are collaborative partners in education and each plays an important role in the success of individual students. Therefore, the State of Arkansas cannot be the guarantor of each individual student's success.

(2) The goals of Arkansas's grades kindergarten through twelve (K-12) education system are not guarantees that each individual student will succeed or that each individual school will perform at the level indicated in the goals.

SECTION 2. Arkansas Code § 6-15-421 is amended to read as follows:  
6-15-421. Awards and sanctions.

(a) The Department of Education is authorized to develop and implement, contingent upon appropriation and funding being provided by the General Assembly, a program of rewards to recognize individual schools that demonstrate exceptional performance in levels of student achievement and to recognize schools that demonstrate significant improvement in student achievement.

(b)(1) Each school that does not attain the expected levels of student performance on state-mandated indicators and individual school improvement indicators shall be designated by one (1) of several levels of sanction.

(2) Each level of sanction shall determine specific interventions to be provided to the students of public schools or public school districts by the department. The levels of sanction developed under ~~this subchapter~~ Act 1467 of 2003 shall be incorporated into the existing comprehensive school improvement plan.

(c) The State Board of Education shall develop a clear, concise system of reporting the academic performance of each public school on the state-mandated, criterion-referenced tests, developmentally appropriate assessments for grades kindergarten through one and two (K-2), benchmark exams, and end-of-course exams, which conforms with current state and federal law.

(d) The state board, through the department, is hereby authorized to promulgate rules and regulations as may be necessary to carry out the provisions of this subchapter.

SECTION 3. Arkansas Code § 6-15-402 is amended as follows:  
6-15-402. Purpose.

(a)(1) The purpose of this subchapter is to provide the statutory framework necessary to ensure that all students in the public schools of this state have an equal opportunity to demonstrate grade-level academic proficiency through the application of knowledge and skills in ~~the~~ core academic subjects consistent with state curriculum frameworks, performance standards, and assessments. The State of Arkansas recognizes and declares that students who are not performing at grade-level standards of academic proficiency are especially harmed by social promotion because they are not equipped with the necessary academic skills to be successful and productive members of society. For this reason, the Arkansas Comprehensive Testing, Assessment, and Accountability Program will emphasize point-in-time intervention and remediation upon the discovery that any student is not performing at grade level. The state is committed to all students having the opportunity to perform at their age-appropriate grade level and beyond.

(2) This subchapter is constructed around a system that includes statewide indicators, individual school improvement indicators, and a locally generated school accountability narrative. The total program shall be applied to each school in the state public school system.

(3) This subchapter is designed to be a multiyear commitment to assess the academic progress and performance of Arkansas' public school students, classrooms, schools, and school districts.

(4) It shall also be the purpose of this subchapter to provide information needed to improve the public schools by measuring annual learning gains of all students through longitudinal tracking and analysis of value-added computations of student gains against a national, demographically matched cohort to inform parents of the educational progress of their public school children, and to inform the public of the performance of schools. The program shall be designed to:

(A) Assess the annual learning gains of each student toward achieving the academic content standards appropriate for the student's grade level;

(B) Provide data for building effective staff development programs and school accountability and recognition;

(C) Identify the educational strengths and weaknesses of students and to help the teacher tailor instruction to the needs of the individual student;

(D) Assess how well academic goals and performance standards are met at the classroom, school, school district, and state levels;

(E) Provide information to aid in the evaluation and development of educational programs and policies;

(F) Provide information on the performance of Arkansas students compared with other students from across the United States; and

(G) Identify best practices and schools that are in need of improving their practices.

(b) The purposes of the assessment and accountability program developed under this subchapter shall be to:

(1) Improve student learning and classroom instruction;

(2) Provide public accountability by ~~exemplifying~~ mandating expected achievement levels, by reporting on school and school district performance, and applying a framework for state action for a school or school district that fails expected achievement levels as defined in the ~~program~~ Arkansas Comprehensive Testing, Assessment, and Accountability program rules and regulations; and

(3) Provide evaluation data of school and school district performance in order to assist policymakers at all levels in decision making.

(c) The priorities of the assessment and accountability program developed pursuant to the provisions of this subchapter shall include:

(1) All students have an opportunity to demonstrate increased learning and completion at all levels, graduate from high school, and enter postsecondary education or the workforce without remediation;

(2) Students demonstrate that they meet the expected academic standards consistently at all levels of their education;

(3) Academic standards for every level of the grades kindergarten through twelve (K-12) education system are aligned and education financial resources are aligned with student performance expectations at each level of the grades kindergarten through twelve (K-12) education system; and

(4) The quality of educational leadership at all levels of grades kindergarten through twelve (K-12) education is improved.

SECTION 4. Arkansas Code Title 6, Chapter 15, Subchapter 4 is amended to add additional sections to read as follows:

6-15-433. Statewide assessment program.

(a) Upon approval by the State Board of Education, the Department of Education shall implement a statewide program of educational assessment that provides information for the improvement of the operation and management of the public schools.

(b) Pursuant to the statewide assessment program, the department shall:

(1) Determine and designate the appropriate offices within the department which shall report to the state board and shall be responsible for determining each school's improvement and performance levels;

(2) Develop and implement a uniform system of indicators to describe the performance of public school students and the characteristics of

the public school districts and the public schools; and

(3)(A) Implement student achievement testing as part of the statewide assessment program, to be administered annually to measure reading, writing, and mathematics and that includes:

(i) Developmentally appropriate testing for grades kindergarten through two (K-2);

(ii)(a) A norm-referenced test using nationally normed metrics in grades three through nine (3-9), and a criterion-referenced test, as defined in § 6-15-404(g)(1) known as the benchmark exams, in grades three through eight (3-8); or

(b) Other assessments which are based on researched best practices as determined by qualified experts which would be in compliance with federal and state law;

(iii) Any other tests required by the State Board of Education; and

(iv) End-of-course exams shall be administered for Algebra I, geometry, literacy, and other content areas as directed by the state board.

(B) Science and civics and government shall be measured on a schedule as determined by the state board.

(c) The testing program shall be designed so that:

(1)(A) The tests measure student skills and competencies adopted by the state board as specified in subsection (b) of this section. The tests shall measure and report student achievement levels in reading, writing, and mathematics including longitudinal tracking of the same students, as well as an analysis of value-added computations of student achievement gains against a national, demographically-matched cohort.

(B) The department shall provide for the tests to be obtained or developed, as appropriate, through contracts and project agreements;

(2) The testing program, as determined by the state board, shall consist of norm-referenced and criterion-referenced testing or other assessments as defined in § 6-15-433(b)(3)(A)(ii)(b). Questions shall require the student to produce information or perform tasks in such a way that the skills and competencies he or she uses can be measured in a statistically reliable and valid manner;

(3) Each testing program, whether at the elementary beginning at grade three (3), middle school, or high school level, shall include to the fullest extent possible, a test of writing in which students are required to produce writings that are then scored by appropriate analytic methods that ensure overall test validity and reliability, including inter-rater reliability. Writing test results shall be scored and returned for district and school use no later than July 1 of each year beginning in 2005-2006 and each year thereafter;

(4) A score shall be designated for each subject area tested that will be the required level of proficiency, below which score, a student's performance is deemed inadequate;

(5) Beginning in the 2004-2005 school year, students in grades kindergarten through twelve (K-12) who do not demonstrate proficiency on the Arkansas Comprehensive Assessment Program exams shall participate in an intense remediation program specific to identified deficiencies;

(6) The state board shall designate, based on valid and reliable

statistical models submitted by the office designated pursuant to subsection (b) of this section, the proficiency levels for each part of the Arkansas Comprehensive Assessment Program exams;

(7) Participation in the testing program is mandatory for all students attending public school except as otherwise prescribed by the state board. If a student does not participate in the Arkansas Comprehensive Assessment Program exams, the district shall notify the student's parent or guardian and provide the parent or guardian with information regarding the reasons for and implications of such nonparticipation. The state board shall adopt rules in compliance with federal and state law, based upon recommendations of the department, for the provision of test accommodations and modifications of procedures as necessary for students in exceptional education programs and for limited-English proficient students. The State Board of Education shall not make accommodations that negate the validity of a statewide assessment or interpretations or implementations which result in less than ninety-five percent (95%) of all students attending public school participating in the testing program;

(8) The department shall implement student testing programs for any grade level and subject area necessary to effectively monitor educational achievement in the state and shall provide data access to any unit within the department or contracted firm or firms for the purpose of analyzing value-added computations and posting school, district, and state student achievement, provided such disclosures are in not in conflict with applicable federal and state law;

(9) Each district shall ensure that educators in their district provide instruction to prepare students to demonstrate proficiency in the skills and competencies necessary for successful grade-to-grade progression and high school graduation. The department shall verify that the required skills and competencies are part of the district instructional programs;

(10) Conduct ongoing research to develop improved statistically reliable and valid methods of assessing student performance, including, without limitation, the:

(A) Use of technology to administer, score, or report the results of tests; and

(B) Use of electronic transfer of data;

(11) Conduct or contract with a provider to conduct ongoing research and analysis of individual student, classroom, school, district, and state achievement data, including, without limitation, monitoring value-added trends in individual student, school, district, and state achievement, identifying school programs that are successful, and analyzing correlates of school achievement; and

(12) Provide technical assistance to school districts in the implementation of state and district testing programs and the use of the data produced pursuant to such programs, including longitudinal tracking data.

6-15-434. School testing programs.

(a) Student performance data shall be analyzed and reported to parents, the community, and the state, provided such disclosures are not in conflict with applicable federal and state law.

(b) Student performance trend data shall be one (1) of the components used in developing objectives of the school improvement plan, internal evaluations of instructional and administrative personnel, assignment of

staff, allocation of resources, acquisition of instructional materials and technology, performance-based budgeting, and assignment of students into educational programs of the local school district board.

6-15-435. Required analyses.

The Department of Education shall provide, at a minimum, for the following analyses of data produced by the student achievement testing program:

(1) The statistical system for the annual assessments shall use the Arkansas Comprehensive Assessment Program exams and other valid and reliable measures of student learning deemed appropriate by the State Board of Education to determine classroom, school, and school district statistical distributions that shall measure the differences in a student's previous year's achievement compared to the current year achievement for the purposes of accountability and recognition;

(2)(A) The statistical system shall provide the best estimates of classroom, school, and school district effects on student progress based on established, value-added longitudinal calculations.

(B) The approach used by the department shall be approved by the state board before implementation; and

(3)(A)(i) The approach used by the department shall be in alignment with federal statutes and be piloted in 2004-2005 to collect data to allow research and evaluation of student achievement growth models.

(ii) The approach shall include the following:

(a) Value-added longitudinal calculations.

(b) Sufficient transparency in the models' conception and operation to allow others in the field to validate or replicate the results; and

(c) An assessment of the models' accurateness in relation to other models.

(iii) A team of relevant technical experts in student assessment and the State Board shall review and approve the cost effectiveness of the model in terms of actual and in kind costs before implementation.

(B) The department shall establish a schedule for the administration of the statewide assessments.

(C) Beginning in the 2005-2006 school year and each subsequent year thereafter, in establishing such schedule, the department is charged with the duty to accomplish the latest possible administration of the statewide assessments and the earliest possible provision, but no later than July 1, of the results to the school districts.

(D) District school boards shall not establish school calendars that jeopardize or limit the valid testing and comparison of student learning gains.

6-15-436. Local assessments.

(a) School districts may elect to measure the learning gains of students in subjects and at grade levels in addition to those required for the Arkansas Comprehensive Assessment Program exams.

(b) Measurement of the learning gains of students in all subjects and grade levels other than subjects and grade levels required for the Arkansas Comprehensive Assessment Program is the responsibility of the school



districts.

(c) The results of these assessments shall be provided to the Department of Education upon request of the Director of the Department of Education.

6-15-437. Rules.

The State Board of Education shall adopt any rules necessary to implement the Arkansas Comprehensive Testing, Assessment, and Accountability Program, § 6-15-401 et seq. pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

6-15-438. Test security and confidentiality

(a) Violation of the security or confidential integrity of any test or assessment is prohibited.

(b)(1) The State Board of Education shall sanction a person who engages in conduct prohibited by this section, as provided under Arkansas Code § 6-17-405 and following the Process for Certificate Invalidation as approved by the Board.

(2) Additionally, the state board may sanction a school district or school, or both in which conduct prohibited in this section occurs.

(c)(1) Procedures for maintaining the security and confidential integrity of all testing and assessment instruments and procedures shall be specified in the appropriate test or assessment administration instructions.

(2) Conduct that violates the security or confidential integrity of a test or assessment is defined as any departure from either the requirements established by the Director of the Department for the administration of the assessment or from the procedures specified in the applicable test administration materials.

(3) Conduct that violates the security or confidential integrity of a test or assessment may include, but is not limited to the following acts and omissions:

- (A) Viewing secure assessment materials;
- (B) Duplicating secure assessment materials;
- (C) Disclosing the contents of any portion of secure assessment materials;
- (D) Providing, suggesting, or indicating to an examinee a response or answer to any secure assessment items;
- (E) Aiding or assisting an examinee with a response or answer to any secure assessment item;
- (F) Changing or altering any response or answer of an examinee to a secure assessment item;
- (G) Failing to follow the specified testing procedures or to proctor students;
- (H) Failing to administer the assessment on the designated testing dates;
- (I) Encouraging or assisting an individual to engage in the conduct described in this subsection;
- (J) Failing to report to appropriate authority that an individual has engaged in conduct set forth in this section;
- (K) Failing to follow the specified procedures and required criteria for alternate assessments; or
- (L) Failing to return the secured test booklets back to

the testing company in a timely manner.

SECTION 5. Arkansas Code Title 6, Chapter 15, is amended to add an additional subchapter to read as follows:

6-15-1801. Public school student progression – Remedial instruction – Reporting requirements – Intent.

It is the intent of the General Assembly subsequent to §§ 6-15-1804 that:

(1) Each student's progression from one (1) grade to another be determined, in part, upon proficiency in reading, writing, and mathematics;

(2) District school board policies facilitate such proficiency;  
and

(3) Each student and his or her parent be informed of the student's academic progress.

6-15-1802. Public school student progression – Remedial instruction – Reporting requirements – Comprehensive program.

The State Board of Education shall establish a comprehensive program for student progression that shall include:

(1) Standards for evaluating each student's performance, including the student's mastery level with respect to the academic content standards;

(2) Specific levels of performance in reading, writing, and mathematics for each grade level and specific proficiency levels of performance on statewide assessments including end-of-course exams, below which a student shall be remediated within an intensive program that is different from the previous year's program and that takes into account the student's learning style; and

(3) Appropriate alternative education intervention programs as developed by the local school district in compliance with state and federal law and approved by the Department of Education for a student who has been retained two (2) consecutive years.

6-15-1803. Public school student progression – Remedial instruction – Reporting requirements – Assessment and remediation.

(a)(1) Each student shall participate in the statewide program of educational assessment required by § 6-15-433 and shall participate in an academic improvement plan when required as a result of the assessments. The Department of Education shall determine satisfactory proficiency levels and shall promulgate rules and regulations of the student's academic improvement plan.

(2) After the development of the plan, each student identified as not meeting satisfactory proficiency levels in the previous spring test shall participate in his or her activities outlined in his or her academic improvement plan. Beginning with the 2005-2006 school year, students in grades one through six (1-6) identified for an academic improvement plan who do not participate in the program shall be retained. Retention for failure to participate in the academic improvement plan shall expand by at least one (1) grade level for each subsequent academic year after implementation. The Department of Education shall submit a report to the House Interim Committee on Education and the Senate Interim Committee on Education prior to September 2004 of the established additional course requirements for failure to achieve

proficiency on end-of course exams. These requirements shall become effective beginning with the 2009-2010 school year. Multiple opportunities to pass end-of-course exams shall be provided as defined by the Department of Education. Prior to the 2009-2010 school year, students who are not proficient on the end-of-course exams shall participate in a remediation program to receive credit for the corresponding course.

(3) If the student has been identified as having a deficiency in literacy or mathematics, the academic improvement plan shall identify the student's specific areas of deficiency in these subjects, the desired levels of performance in these areas, and the instructional and support services to be provided to meet the desired levels of performance.

(4) Schools shall also provide for the frequent monitoring of the student's progress in meeting the desired levels of performance. Remedial instruction provided during high school may not be in lieu of English, mathematics, science, or history core courses required for graduation.

(b) Each student who does not meet the minimum performance expectations defined by the state board for the statewide assessment tests in reading, writing, and mathematics shall continue to be provided with remedial or supplemental instruction until the expectations are met or the student is not subject to compulsory school attendance.

(c) In the event this section is construed to conflict with or violate any federal regulations or guidelines, its enforcement shall be suspended pending compliance with the federal regulations or guidelines.

6-15-1804. Public school student progression – Remedial instruction – Reporting requirements – Reading deficiency and parental notification.

(a) It is the ultimate goal of the General Assembly that every student read at or above his or her grade level. Any student who exhibits a substantial deficiency in reading, based upon statewide assessments conducted in grades kindergarten through two (K-2), or through teacher observations, shall be given intensive reading instruction utilizing a reading program approved by the State Board of Education as soon as practicable following the identification of the reading deficiency. The student's reading proficiency shall be reassessed by utilizing assessments within the state board approved reading program. The student shall continue to be provided with intensive reading instruction until the reading deficiency is corrected.

(b) Beginning with the 2005-2006 school year, the parent or guardian of any student who exhibits a substantial deficiency in reading, as described in subsection (a) of this section, shall be notified in writing of the following:

(1) That his or her child has been identified as having a substantial deficiency in reading;

(2) A description of the current services that are provided to the child; and

(3) A description of the proposed supplemental instructional services and supports that will be provided to the child that are designed to remediate the identified area of reading deficiency.

6-15-1805. Public school student progression – Remedial instruction – Reporting requirements – Elimination of social promotion.

No student may be assigned to a grade level based solely on age or

other factors that constitute social promotion, except as provided by applicable federal and state law.

6-15-1806. Public school student progression – Remedial instruction – Reporting requirements – Annual report.

(a) In addition to the requirements in § 6-15-1804(b), each district school board shall annually report to the parent or guardian of each student the progress of the student toward achieving state expectations for proficiency in reading, writing, and mathematics. The district school board shall report to the parent, guardian, or the student, if the student is eighteen (18) years of age or older, the student's results on each statewide assessment test. The evaluation of each student's progress shall be based upon the student's classroom work, observations, tests, state assessments, and other relevant information. Progress reporting shall be provided to the parent, guardian, or the student, if the student is eighteen (18) years of age or older, in writing in a format adopted by the district school board which is consistent with § 6-15-1901(b).

(b) Beginning with the 2004-2005 school year, each district school board shall annually publish in the local newspaper the school performance report required by § 6-15-1402 and report in writing to the State Board of Education by October 15 of each year, the following information on the prior school year or the latest information available:

(1) By grade level, economic status, and ethnicity, the number and percentage of all students in grades kindergarten through twelve (K-12) performing at each category level on the benchmark exams, on end-of-course exams, and the percentile rankings by school and grade level on norm-referenced exams, any other assessments as required by the State Board of Education, the number of students taking advanced placement courses, the number taking the advanced placement exams, and the percent of students making a 3.0, 4.0, or 5.0 on advanced placement exams;

(2) By grade level the number and percentage of all student retained in grades one through eight (1-8);

(3) The graduation rate, grade inflation rate, drop-out rate for grades nine through twelve (9-12) and college remediation rate;

(4) Number of students transferring pursuant to the unsafe school provision of § 6-15-439; and

(5) Number of students transferring pursuant to the Arkansas Opportunity Public School Choice Act of 2003 § 6-18-227 et seq.

(c) Nothing in this section shall be construed to conflict with applicable federal or state law.

6-15-1807. Public school student progression – Remedial instruction – Reporting requirements – State Board of Education authority and responsibilities.

The state board shall adopt rules for the administration of this subchapter.

6-15-1808. Public school student progression – Remedial instruction – Reporting requirements – Technical assistance.

(a) The Department of Education shall provide technical assistance as needed to aid school districts in administering this subchapter.

(b)(1) The Department of Education shall, at least semi-annually,

provide a report to the House Interim Committee on Education and the Senate Interim Committee on Education setting forth the districts requesting assistance, the date of the requests, the dates and actions taken.

(2) The Department of Education shall further report the results of the action taken or assistance provided.

SECTION 6. Arkansas Code Title 6, Chapter 15, is amended to add an additional subchapter to read as follows:

6-15-1901. School rating system – Annual reports.

(a) The Department of Education shall prepare annual reports of the results of the statewide assessment program which describe student achievement in the state, each district and each school, as well as the school performance category levels pursuant to §§ 6-15-1902 and 6-15-1903. The department shall prescribe the design and content of these reports that shall include, without limitation, descriptions of achievement of all schools participating in any assessment program and all of their major student populations as determined by the department, provided that the provisions of § 6-15-415 pertaining to student records apply to this section. Annual school performance reports shall be sent to all parents or guardians, posted on the department's website, and published by the local school district in the local newspaper.

(b) The department shall provide information regarding performance of students and educational programs as required pursuant to §§ 6-15-433 and 6-15-2301 and implement a system of school reports as required by statute and State Board of Education rule. Annual school performance reports shall be in an easy-to-read format and shall include both the school improvement and performance level designations.

(c) The annual report shall designate two (2) category levels for each school, one (1) for the school's improvement gains, tracked longitudinally and using value-added calculations on the criterion-referenced test as defined in § 6-15-404(1)(A), in the latest available test results, known as the annual improvement category level and one (1) based on performance from the prior year on the criterion-referenced test as defined in § 6-15-404(g)(1) and end-of-course exams, hereafter referred to as annual performance pursuant to § 6-15-1903 and described in § 6-15-419(18). If the criterion-referenced test is not in compliance with § 6-15-404(1)(A), then the Department of Education shall rely on other assessments as defined in 6-15-404(g)(1) test for the calculation of the improvement grade.

6-15-1902. School rating system – Annual improvement category levels.

(a) For the designation determined by annual improvement, annual improvement gains on criterion-referenced tests, as defined in § 6-15-404(g)(1), shall identify schools as being in one (1) of the following category levels defined according to rules of the State Board of Education:

- (1) "Level 5", schools of excellence;
- (2) "Level 4", schools exceeding standards;
- (3) "Level 3", schools meeting standards;
- (4) "Level 2", schools on alert; and
- (5) "Level 1", schools in need of immediate improvement.

(b) The base year for improvement gains shall be established in the 2006-2007 school year, with annual improvement category levels assigned in the 2007-2008 school year.

(c) School annual improvement category level designations shall be based on the following:

(1) A combination of student achievement scores as measured by annual academic gain scores on criterion-referenced tests, as defined in § 6-15-404(g)(1), or assessments in grades kindergarten through twelve (K-12);

(2) Student assessment data used to determine annual improvement category levels shall include the aggregate scores of the combined population;

(d) The state board shall adopt appropriate criteria for each school improvement category levels.

(e) Schools that receive an annual improvement category levels of Level 5 or Level 4 are eligible for school recognition awards and performance-based funding pursuant to § 6-15-1909.

6-15-1903. School rating system – Annual Performance Goals -School annual performance category levels.

(a) The annual report shall identify schools as being in one (1) of the following category levels, based on the criterion-referenced benchmark exams, as defined in 6-15-404(g)(1), and defined according to rules of the State Board of Education:

(1) "Level 5", schools of excellence;

(2) "Level 4", schools exceeding standards;

(3) "Level 3", schools meeting standards;

(4) "Level 2", schools on alert; and

(5) "Level 1", schools in need of immediate improvement.

(b)(1) For the years 2004-2005 through 2008-2009, schools will not be assigned annual performance category levels, unless an annual performance category levels is requested by the school.

(2) For schools that receive an improvement category level of Level 5 or Level 4 in the 2009-2010 and 2010-2011 school years, the performance category level may be waived.

(c)(1) For all schools that have received an annual performance category levels of Level 1 for two (2) consecutive years, the students in these schools shall be offered the opportunity public school choice option with transportation provided by the resident school district pursuant to § 6-18-227 et seq.

(2) In addition, the school district board shall provide supplemental educational services, approved by the State Board, to affected students.

(d) The state board shall adopt appropriate criteria for each school performance category levels.

(e) Schools that receive an annual performance category level of Level 5 or Level 4 are eligible for school recognition awards and performance-based funding pursuant to § 6-15-1909.

6-15-1904. Mobility.

The Department of Education shall study the effects of mobility on the performance of highly mobile students and recommend programs to improve the performance of such students. The state board shall adopt appropriate criteria for each school performance category level.

6-15-1905. School rating system – School improvement and performance

category level and improvement and performance rating reports.

(a) School annual improvement and performance category level designations and ratings shall apply to each school's achievement for the year in which the achievement is measured.

(b) Each school's designation and rating shall be published annually by the Department of Education and the school district, and shall be available on the department's website. Parents and guardians shall be entitled to an easy-to-read written report describing the designation and rating of the school in which their child is enrolled.

6-15-1906. School rating system – Improvement and performance category levels - Annual.

The State Board of Education shall adopt rules necessary to implement § 6-15-1901 et seq. pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

6-15-1907. Arkansas School Recognition Program.

(a) The General Assembly finds that there is a need for an incentive program for outstanding schools. The General Assembly further finds that performance-based incentives are commonplace in the private sector and should be infused into the public sector as a reward for productivity.

(b) The Arkansas School Recognition Program is created to provide financial awards to public schools that are at:

(1) A category level of Level 5 or Level 4 pursuant to § 6-15-1903 and at least a Level 3 pursuant to § 6-15-1902; or

(2) A category level of Level 5 or Level 4 school pursuant to § 6-15-1902.

(c) Each school meeting the requirements set out in subdivisions (b)(1) or (b)(2) of this section shall receive performance-based funding in the amount of one hundred dollars (\$100) per student who participated in the school's assessment program. A school that receives a Level 5 or Level 4 for its annual performance as provided under § 6-15-1903, provided it has received at least a Level 3 for annual improvement under § 6-15-1902 or a Level 5 or Level 4 for its annual improvement under § 6-15-1902, shall receive performance-based funding. All schools meeting both criteria shall receive rewards for both categories. Each school that receives performance-based funding shall submit a proposal for its spending of the performance-based funding to the Department of Education. The department shall review and approve each proposal. The department shall approve spending of performance-based funding for academic expenses only as set forth in subsection (f) of this section.

(d) All public schools, including charter schools, that receive school category levels pursuant to §§ 6-15-1902 and 6-15-1903 are eligible to participate in the program.

(e) All eligible schools shall receive performance-based funding. Funds shall be distributed to the school's fiscal agent and placed in the school's account and shall be used for purposes listed in subsection (f) of this section as determined by a committee which shall include the principal, a teacher elected by the faculty, and a parent representative selected by the local Parent Teacher Association or some other local parental involvement group. The committee shall make its determination by December 15 of each applicable year.

- (f) School recognition awards shall be used for the following:
- (1) Nonrecurring bonuses to the faculty and staff;
  - (2) Nonrecurring expenditures for educational equipment or materials to assist in maintaining and improving student performance; or
  - (3) Temporary personnel for the school to assist in maintaining and improving student performance.
- (g) The General Assembly shall appropriate and fund sufficient funds to implement this section.

6-15-1908. State Board of Education authority and responsibility.  
The State Board of Education shall adopt rules as necessary for the implementation and administration of this subchapter.

SECTION 7. Arkansas Code Title 6, Chapter 18, Subchapter 2 is amended to add an additional section to read as follows:

6-18-227. Title.

(a)(1) This section may be referred to and cited as the "Arkansas Opportunity Public School Choice Act of 2003".

(2) The purpose of this section is to provide enhanced opportunity for students in this state to gain the knowledge and skills necessary for postsecondary education, a technical education, or the world of work. The General Assembly recognizes that the Arkansas Constitution, as interpreted by the Arkansas Supreme Court in Lake View School District No. 25 v. Mike Huckabee, 351 Ark. 31 (2002), makes education a paramount duty of the state. The General Assembly finds that the State Constitution requires the state to provide an adequate education. The General Assembly further finds that a student should not be compelled, against the wishes of the parent, guardian, or the student, if the student is over eighteen (18) years of age, to remain in a school designated as a Level 1 school under § 6-15-1903 for two (2) or more consecutive years. The General Assembly shall make available a public school choice option in order to give a child the opportunity to attend a public school that is performing satisfactorily. The Arkansas Opportunity Public School Choice Act shall take effect with the implementation of school performance category levels.

(3) The General Assembly further finds that giving more options to parents and students with respect to where the students attend public school will increase the responsiveness and effectiveness of the state's schools, since teachers, administrators, and school board members will have added incentives to satisfy the educational needs of the students who reside in the district.

(4) A public school choice program is hereby established to enable any student to transfer from a failing school to any other public school in the state, subject to the restrictions contained in this section.

(b)(1) Upon the request of a parent, guardian, or the student, if the student is over eighteen (18) years of age, a student may transfer from his or her resident district to another public school in accordance with the provisions of this section if:

(A) The resident public school has been designated pursuant to § 6-15-1903 as a Level 1 school for two (2) or more consecutive school years; and

(B) The parent, guardian, or the student, if the student is over eighteen (18) years of age, has notified the Department of Education



and both the sending and receiving school districts of the request for a transfer no later than July 30 of the first year in which the student intends to transfer.

(2) For purposes of continuity of educational choice, the transfer shall remain in force until the student completes high school or the parent, guardian, or the student, if the student is over eighteen (18) years of age, notifies the department and the department shall notify the sending and receiving school districts, no later than July 30 following the current school year, of his or her desire to transfer back to the child's resident school district at the end of the current school year.

(3)(A) A school district shall, for each student enrolled in or assigned to a school that has been designated as a Level 1 school for two (2) or more consecutive school years:

(i) Timely notify the parent, guardian, or the student, if the student is over eighteen (18) years of age, as soon as such practicable after such designation is made of all options available pursuant to this section; and

(ii) Offer the parent, guardian, or the student, if the student is over eighteen (18) years of age, an opportunity to enroll the student in any public school that has been designated by the state pursuant to § 6-15-1903 as a school performing higher than that in which the student is currently enrolled or to which the student has been assigned, but not less than annual performance category Level 3. The opportunity to continue attending the higher performing public school shall remain in force until the student graduates from high school.

(B) The parent or guardian of a student enrolled in or assigned to a school that has been designated as a school in Level 1 under § 6-15-1903 for two (2) or more consecutive years may choose as an alternative to enroll the student in a legally allowable category Level 3 or higher public school nearest to the student's legal residence. That school or school district shall accept the student and report the student for purposes of the funding pursuant to applicable state law.

(C) Students with disabilities who are eligible to receive services from the school district under federal or state law, including students receiving additional funding through Federal Title Programs specific to the Elementary and Secondary Education Act, and who participate in this program, remain eligible to receive services from the school district as provided by federal or state law and any funding for such student shall be transferred to the district to which the student transfers.

(c)(A) Transportation costs shall be the responsibility of the state, and the State Board of Education shall establish rules pertaining to state reimbursement of transportation costs.

(B) However, upon the transferring district receiving a category Level 3 or higher for its annual performance, then the transportation costs shall no longer be the responsibility of the state.

(d)(1) Each district school board shall offer the opportunity public school choice option within the public schools. The opportunity public school choice option shall be offered in addition other to other existing choice programs.

(2) In the event that the opportunity public school choice option results in a receiving district requiring temporary facilities or faculty as a result of and to accommodate the additional students, expenses

related thereto in excess of that received for each student electing the opportunity public school choice option shall be borne by the state.

(e) The provisions of this section and all student choice options created in this section are subject to the limitations of § 6-18-206(d) through (f):

(f) The department shall develop an annual report on the status of school choice and deliver the report to the State Board of Education, the Governor, and the Legislative Council at least ninety (90) days prior to the convening of the regular session of the General Assembly.

(g) Each district school board shall annually report the number of students applying for and attending the various types of public schools of choice in the district, including schools such as magnet schools, according to rules adopted by the state board.

(h)(1) A receiving district shall accept credits toward graduation that were awarded by another district.

(2) The receiving district shall award a diploma to a nonresident student if the student meets the receiving district's graduation requirements.

(i) For purposes of determining a school district's state equalization aid, the nonresident student shall be counted as a part of the average daily membership of the district to which the student has transferred.

(j)(1) All school districts shall report to the department on an annual basis the race, gender, and other pertinent information needed to properly monitor compliance with the provisions of this section.

(2) The reports may be on those forms that are prescribed by the department or the data may be submitted electronically by the district using a format authorized by the department.

(3) The department may put on probation the superintendent of any school district that fails to file its report each year or fails to file any other information with a published deadline requested from school districts by the department so long as thirty (30) calendar days are given between the request for the information and the published deadline.

(4) A copy of the report shall be provided to the Joint Interim Committee on Education.

(k)(1) Any student participating in the opportunity public school choice option shall remain in attendance throughout the school year, unless excused by the school for illness or other good cause, and shall comply fully with the school's code of conduct.

(2) The parent or guardian of each student participating in the opportunity public school choice option shall comply fully with the receiving public school's parental involvement requirements, unless excused by the school for illness or other good cause.

(3) The parent or guardian shall ensure that the student participating in the opportunity public school choice option takes all statewide assessments, including, but not limited to, benchmark exams, required pursuant to § 6-15-433.

(4) A participant who fails to comply with this section shall forfeit the opportunity public school choice option.

(1)(1) The maximum opportunity public school choice funds granted for an eligible student shall be calculated based on applicable state law.

(2) The receiving school district shall report all students who transfer from another public school under this program. The students

attending public schools pursuant to the opportunity public school choice option shall be reported separately from those students reported for purposes of compliance with applicable state law.

(3) The public school that provides services to students with disabilities shall receive funding as determined by applicable federal and state law.

(m) The state board shall adopt any rules necessary for the implementation of the Arkansas Opportunity Public School Choice Act of 2003, § 6-18-227 et seq. pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(n) Losses in revenue to a district directly related to the transfer of students pursuant to this section shall not be considered when determining a district's eligibility for funding pursuant to § 6-20-326 or other school funding formulas as approved by the General Assembly.

(o) A district under this program shall request public service announcements to be made over the broadcast media and in the print media at such times and in such manner as to inform parents or guardians of students in adjoining districts of the availability of the program, the application deadline, and the requirements and procedure for nonresident students to participate in the program.

SECTION 8. Arkansas Code Title 6, Chapter 15, is amended to add an additional subchapter to read as follows:

6-15-2001. Implementation of state system of school improvement and education accountability.

(a) The Department of Education is responsible for implementing and maintaining a system of intensive school improvement and education accountability that shall include policies and programs to implement the following:

(1) A system of data collection and analysis that will improve information about the educational success of individual students and schools. The information and analyses shall be capable of identifying educational programs or activities in need of improvement and reports prepared pursuant to this section shall be distributed to the appropriate district school boards prior to distribution to the general public. No disclosure shall be made that is in violation of applicable federal or state law;

(2) A program of school improvement that will analyze information to identify schools educational programs or educational activities in need of improvement;

(3) A method of delivering services to assist school districts and schools to improve; and

(4) A method of coordinating the state educational goals and school improvement plans with any other state program that creates incentives for school improvement.

(b) The department shall be responsible for the implementation and maintenance of the system of school improvement and education accountability outlined in this section. There shall be an annual determination of whether adequate yearly progress in each school is being made toward implementing and maintaining a system of school improvement.

(c) If adequate yearly progress is not being made, the local school district shall prepare and implement a revised school improvement plan. The department and State Board of Education shall monitor the development and

implementation of the revised school improvement plan.

(d) The department shall report to the Legislative Council and recommend changes in state policy necessary to foster school improvement and education accountability. Included in the report shall be a list of the schools for which district school boards have developed assistance and intervention plans and an analysis of the various strategies used by the school boards. School reports shall be distributed pursuant to this subsection (d) and § 6-15-1901 and according to rules adopted by the state board.

(e)(1) The department shall implement a training program to develop among state and district educators a cadre of facilitators of school improvement. These facilitators shall assist schools and districts to conduct needs assessments and develop and implement school improvement plans to meet state goals.

(2) Upon request, the department shall provide technical assistance and training to any school, school district, or district school board for conducting needs assessments, developing and implementing school improvement plans, developing and implementing assistance and intervention plans, or implementing other components of school improvement and accountability. Priority for these services shall be given to schools designated as school districts in academic distress or schools in need of school improvement under state or federal law. The Department of Education shall, no less than semi-annually, provide a report to the House Interim Committee on Education and the Senate Interim Committee on Education setting forth the districts requesting assistance, the state of each request, and the dates and actions taken. The Department of Education shall further report the results of the actions taken or assistance provided.

(3) The department shall provide technical assistance to each school that is designated as a Level 1 school or a Level 2 school under § 6-15-1903 to develop a revised school improvement plan.

(f) As a part of the system of educational accountability, the department shall:

(1) Develop minimum performance standards for various grades and subject areas, as required in §§ 6-15-1901 et seq., 6-15-403, and 6-15-433;

(2) Administer the statewide assessment testing program created by § 6-15-433; and

(3) Conduct or contract with a provider to conduct the program assessments required by § 6-15-403; and

(4) Conduct or contract with any provider for implementation for any part or portion of this act; and

(5) Perform any other functions that may be involved in educational planning, research, and evaluation or that may be required by the state board rules and regulations or federal or state law.

SECTION 9. Arkansas Code Title 6, Chapter 15 is amended to add an additional subchapter to read as follows:

6-15-2101. Best financial management practices for school districts – Standards – Reviews – Designation of school districts.

(a) The purpose of best financial management practices reviews are to improve Arkansas school district management's use of resources and to identify cost savings. The Department of Education and the Division of Legislative Audit of the Legislative Joint Auditing Committee of the General

Assembly are directed to develop a system for reviewing the financial management practices of school districts. In this system, the division shall assist the department in examining district operations to determine whether they meet "best financial management code practices".

(b)(1) The best financial management practices adopted by the State Board of Education may be updated periodically after consultation with the Legislative Council, the Governor, the department, school districts, and the division. The department shall submit to the state board for review and adoption proposed revisions to the best financial management practices adopted by the state board and reviewed by the Legislative Council. The best financial management practices, at a minimum, shall be designed to instill public confidence by addressing the school district's use of resources, identifying ways that the district could save funds, and improving districts' performance accountability systems, including public accountability. To achieve these objectives, best practices shall be developed for, but need not be limited to, the following areas:

- (A) Management structures;
- (B) Performance accountability;
- (C) Efficient delivery of educational services, including instructional materials;
- (D) Administrative and instructional technology;
- (E) Personnel systems and benefits management;
- (F) Facilities construction;
- (G) Facilities maintenance;
- (H) Student transportation;
- (I) Food service operations;
- (J) Cost control systems, including asset management, risk management, financial management, purchasing, internal auditing, and financial auditing;
- (K) Athletics; and
- (L) Other extra-curricular activities.

(2) In areas for which the state board has not adopted best practices, the department may develop additional best financial management practices with input from a broad range of stakeholders. The department shall present any additional best practices to the state board for review and possible adoption. Revised best financial management practices adopted by the state board shall be used in the next scheduled school district reviews conducted according to this section.

(c) The department shall conduct the reviews or contract with a private firm selected through a formal request for proposal process to perform the review. At least one (1) member of the private firm review team shall have expertise in school district finance. The scope of the review shall focus on the best practices adopted by the state board pursuant to subsection (b) of this section.

(d) The state board shall consult with the department throughout the best practices review process to ensure that the technical expertise of the department benefits the review process and supports the school districts before, during, and after the review.

(e)(1) Each school district shall be subject to a best financial management practices review. The General Assembly also intends that all school districts shall be reviewed biannually by on-site visits and shall be given one of the following designations:

(A) "A", schools comprehensively complying with best financial practices;  
(B) "B", schools complying with best financial practices at significant levels;  
(C) "C", schools adequately complying with best financial practices;  
(D) "D", schools less than adequately complying with best financial practices; and  
(E) "F", schools failing to comply with best financial practices.

(2) The department shall prepare annual reports of the results of the best financial management practices reviews and shall post to its website the school and district financial grades pursuant to subsection (b) of this section. The report, which shall be part of the overall school and district report card requirement pursuant to § 6-15-1806, shall include both revenue sources and expenditures. The reporting of expenditures shall include breakdowns of administrative, instructional, support, and operations expenditures, as well as any other financial commitments of the school and district.

(f) The Legislative Council may adjust the schedule of districts to be reviewed when unforeseen circumstances prevent initiation of reviews scheduled.

(g) The department, subject to funding by the General Assembly, may conduct or contract with a private firm to conduct best financial management practices reviews.

(h) Reviews shall be conducted by the division, the department, or the consultant. Funds may be used for the cost of reviews by the division and private consultants contracted by the state board. Costs may include professional services, travel expenses of the department and of the staff of the division, and any other necessary expenses incurred as part of a best financial management practices review and as preapproved by the department.

(i) Districts shall complete a self-assessment instrument provided by the department that indicates the school district's evaluation of its performance on each best practice. The district shall begin the self-assessment no later than sixty (60) days prior to the commencement of the review. The completed self-assessment instrument and supporting documentation shall be submitted to the department no later than the date of commencement of the review as notified by the department. The best practices review team will use this self-assessment information during their review of the district.

(j) During the review, the department or the consultant conducting the review, if any, shall hold at least one (1) advertised public forum as part of the review in order to explain the best financial management practices review process and obtain input from students, parents or guardians, the business community, and other district residents regarding their concerns about the operations and management of the school district.

(k) District reviews conducted under this section shall be completed within six (6) months after commencement. The department shall issue a final report to the Legislative Council regarding the district's use of best financial management practices and cost savings recommendations within sixty (60) days after completing the reviews. Copies of the final report shall be provided to the Governor, the state board, the district superintendent, and

the districts' school board members. The district superintendent shall notify the press that the final report has been delivered. The notification shall state the department's website address at which an electronic copy of the report is available.

(1)(1) If the district is found not to conform to best financial management practices, the report shall contain an action plan, taking public input into consideration, detailing how the district could meet the best practices within two (2) years. The district school board shall develop and approve the implementation schedule within sixty (60) days after receipt of the final report. If a district fails to vote on the action plan within sixty (60) days, the district superintendent and school board members shall be required to appear and present testimony before the state board and the Legislative Council.

(2) Within sixty (60) days after the receipt of the final report, the district school board shall notify the state board and the department in writing of the implementation schedule for the action plan. The department shall contact the school district, assess the situation, and offer technical assistance, if needed.

(m) After a district school board votes to implement the action plan:

(1) No later than six (6) months after receipt of the final best financial practices report, the district school board shall submit an initial status report to the Governor, the state board, the division, the department and the Legislative Council on progress made toward implementing the action plan and whether changes have occurred in other areas of operation that would affect compliance with the best practices; and

(2)(A) A second status report shall be submitted by the school district to the Governor, the state board, the division, the department, and the Legislative Council no later than six (6) months after submission of the initial report, and every six (6) months thereafter, until status reports are not required.

(B) Status reports are not required once the state board concludes that the district is using best financial management practices and the district is designated a grade category "A" for its financial practices.

(n) School districts that are determined in their review to be using the best practices and are graded a category "A" pursuant to subsection (e) of this section, shall receive a "Seal of Best Financial Management". The state board designation shall be effective until a district's financial accountability grade decreases. The state board shall revoke the designation of a district school board at any time if it determines that a district is no longer complying with the state's best financial management practices.

(o) District school boards that receive a best financial management practices review shall maintain records that will enable independent verification of the implementation of the action plan and any related fiscal impacts.

(p) Unrestricted cost savings resulting from implementation of the best financial management practices shall be spent at the school and classroom levels for teacher salaries, teacher professional development, improved classroom and school facilities, student supplies, textbooks, classroom technology, and other direct student instruction activities. Cost savings identified for a program that has restrictive expenditure requirements shall be used for the enhancement of the specific program. If the district is in fiscal distress, the cost savings may be used in

accordance with the fiscal distress plan.

SECTION 10. Arkansas Code Title 6, Chapter 15 is amended to add an additional subchapter to read as follows:

6-15-2201. Postsecondary feedback of information to high schools.

(a) Representatives from the Arkansas Department of Higher Education and the Arkansas Department of Education will meet with the chairmen of the Senate and House Education Committees or their designees along with the selected superintendents, high school principals, and high school counselors once every biennium to review the Arkansas Placement Status Reports to determine if any revisions in the format of the reports, the information that is reported, or the reporting process need to be made. Agreed upon changes would be reported to the Arkansas Higher Education Coordinating Board, the Arkansas State Board of Education and the Senate and House Education Committees, provided such information is not in conflict with federal or state law.

(b) The department shall report, by high school, to the state board and the General Assembly, no later than November 30 of each year, on the number of prior-year Arkansas high school graduates who enrolled for the first time in public postsecondary education in this state during the previous summer, fall, or spring term indicating the number of students whose scores on the common placement test indicated the need for remediation through college-preparatory instruction, provided such disclosure is not in conflict with applicable federal or state law.

(c) The department shall organize school summary reports and student-level records by school district and high school in which the postsecondary education students were enrolled and report the information to each school district no later than January 31 of each year.

(d) As a part of the school improvement plan pursuant to § 6-15-2001, the state board shall ensure that each school district and high school develops strategies to improve student readiness for the public postsecondary level based on annual analysis of the feedback report data.

(e) The department shall biennially recommend to the General Assembly statutory changes to reduce the incidence of postsecondary remediation in mathematics, reading, and writing for first-time-enrolled recent high school graduates.

SECTION 11. Arkansas Code § 6-15-419 is amended to read as follows:  
6-15-419. Definitions.

The following definitions shall apply in this subchapter, 6-15-404, 6-15-421, 6-15-402, 6-15-433 -6-15-438, 6-15-1801 - 6-15-1808, 6-15-1901 - 6-15-1908, 6-18-227, 6-15-2001, 6-15-2101, and 6-15-2201, unless the context otherwise requires:

(1) "Academic Content Standards" means standards which are approved by the State Board of Education and set the skills to be taught and mastery level for each grade and content area;

~~(1)(A)~~(2)(A) "Academic improvement plan" means a plan detailing supplemental or intervention and remedial instruction, or both, in deficient academic areas for any student who is not proficient on a portion or portions of the state-mandated ~~eriterion-refereneed assessments~~ Arkansas Comprehensive Assessment Program.



(B)(i) Such a plan shall be created and implemented by appropriate teachers, counselors, and any other pertinent school personnel.

(ii) All academic improvement plans shall be annually reviewed and revised to ensure an opportunity for student demonstration of proficiency in the targeted academic areas on the next state-mandated ~~criterion-referenced assessments~~ Arkansas Comprehensive Assessment Program.

(iii) A cumulative review of all academic improvement plans shall be part of the data used by the school in creating and revising its comprehensive school improvement plan.

(iv) All academic improvement plans shall be subject to review by the Department of Education.

(C) In any instance where a student with disabilities identified under the Individuals with Disabilities Education Act has an individualized education program that already addresses any academic area or areas in which the student is not proficient on state-mandated criterion-referenced assessments, the individualized education program shall serve to meet the requirement of an academic improvement plan;

~~(2)-(3) "Adequate yearly progress" "Annual performance" means that level of academic improvement achievement required of public schools or school districts on the state-mandated criterion-referenced examinations and other indicators as required in the Arkansas Comprehensive Testing, Assessment, and Accountability Program, which shall comply with The Elementary and Secondary Education Act as reauthorized in The No Child Left Behind Act of 2001;~~

(4) "Adequate yearly progress" means that level of academic improvement required of public schools or school districts on the state-mandated examinations and other indicators as required in the Arkansas Comprehensive Testing, Assessment, and Accountability Program, which shall comply with The Elementary and Secondary Education Act as reauthorized in The No Child Left Behind Act of 2001, 20 U.S.C. § 6301, et seq. (2002);

~~(3)-(5) "Annexation" means the joining of an affected school district or part of the school district with a receiving district under §§ 6-13-1401 et seq.;~~

(6) "Annual improvement gains" or "student learning gains" means calculating a student's learning gains from one year to the next, based on a same series nationally-normed assessment given in the same time frame from one (1) year to the next, used as a pre-post measure of learning for the content areas tested;

(7) "Arkansas Comprehensive Assessment Program " means the testing component of Arkansas Comprehensive, Testing, Assessment, and Accountability Program which shall consist of developmentally appropriate assessments for Kindergarten, grades one and two (K-2), national norm-referenced tests in grades three through nine (3-9), any other assessments as required by the State Board of Education, criterion-referenced tests for grades three through eight (3-8), or other assessments which are based on researched best practices as determined by qualified experts which would be in compliance with federal and state law, and end-of-course exams for designated grades and content areas

(8) "Arkansas Comprehensive Testing, Assessment, and Accountability Program" means a comprehensive system that focuses on high academic standards, professional development, student assessment, and

accountability for schools;

~~(4)~~(9) "Comprehensive school improvement plan" means the individual school's comprehensive plan based on priorities indicated by assessment and other pertinent data and designed to provide an opportunity for all students to demonstrate proficiency on all portions of state-mandated ~~critierion-referenced assessments~~ Arkansas Comprehensive Assessment Program;

~~(5)~~(10) "Consolidation" means the joining of two (2) or more school districts or parts of the school districts to create a new single school district under §§ 6-13-1401 et seq.;

~~(6)~~(11) "Department" means the Department of Education;

~~(7)~~(12) "District improvement plan" means a districtwide plan coordinating the actions of the various comprehensive school improvement plans within a district. The main focus of the district improvement plan shall be to ensure that all students demonstrate proficiency on all portions of state-mandated ~~critierion-referenced assessments~~ Arkansas Comprehensive Assessment Program;

~~(8)~~(13) "Early intervention" means short-term, intensive, focused, individualized instruction developed from ongoing, daily, systematic diagnosis that occurs while a child is in the initial, kindergarten through grade one (K-1), stages of learning early reading, writing, and mathematical strategies to ensure acquisition of the basic skills and to prevent the child from developing poor problem-solving habits which become difficult to change. The goal is to maintain a student's ability to function proficiently at grade level;

~~(9)~~(14) "End of course" means an examination taken at the completion of a course of study to determine whether a student demonstrates attainment of the knowledge and skills necessary to mastery of that subject;

(15) "Grade inflation rate" means the statistical gap between actual grades assigned for core classes at the secondary level and student performance on corresponding subjects on nationally normed college entrance exams, such as the American College Test;

~~(10)~~(16) "Grade level" means performing at the proficient or advanced level on state-mandated ~~critierion-referenced~~ Arkansas Comprehensive Assessment Program tests;

~~(11)~~(17) "High school" means grades nine through twelve (9-12);

(18) "Longitudinal tracking" means tracking individual student yearly academic achievement gains based on scheduled and annual assessments;

~~(12)~~(19) "Middle level" means grades five through eight (5-8);

(20) "No Child Left Behind Act" means the No Child Left Behind Act of 2001 signed into federal law on January 8, 2002;

(21)(A) "Parent" means a parent, parents, legal guardian, a person standing in loco parentis, or legal representative, as appropriate, of a student; or

(B) The student if the student is eighteen (18) years of age or older;

~~(13)~~(22) "Point-in-time intervention and remediation" means intervention and remediation applied during the academic year upon the discovery that a student is not performing at grade level;

~~(14)~~(23) "Primary" means kindergarten through grade four (K-4);

~~(15)~~(24) "Public school" means those schools or school districts created pursuant to title 6 of the Arkansas Code and subject to the Arkansas Comprehensive Testing, Assessment, and Accountability Program except

specifically excluding those schools or educational programs created by or receiving authority to exist pursuant to § 6-15-501, § 9-28-205, §§ 12-29-301 et seq., or other provisions of Arkansas law;

~~(16)~~(25) "Public school in school improvement" or "school district in school in need of immediate improvement" means any public school or public school district identified as failing to meet certain established levels of academic achievement on the state-mandated criterion-referenced and norm referenced tests as required by the State Board of Education in the program;

~~(17)~~(26) "Reconstitution" means a reorganization intervention in the administrative unit or governing body of a public school district, including, but not limited to, the suspension, reassignment, replacement, or removal of a current superintendent or the suspension, removal, or replacement of some or all of the current school board members, or both;

~~(18)~~(A)~~(i)~~(27)(A)(i) "Remediation" means a process of using diagnostic instruments to provide corrective, specialized, supplemental instruction to help a student in grades two through four (2-4) overcome academic deficiencies.

(ii) For students in grades five through twelve (5-12), remediation shall be a detailed, sequential set of instructional strategies implemented to remedy any academic deficiencies indicated by below-basic or basic performance on the state-mandated criterion-referenced assessments.

(B) Remediation shall not interfere with or inhibit student mastery of current grade level academic learning expectations;

~~(19)~~(28) "School district in academic distress" means any public school district failing to meet the minimum level of academic achievement on the state-mandated criterion-referenced examinations as required by the State Board of Education in the program;

(29) "School improvement plan" means the individual school's comprehensive plan based on priorities indicated by assessment and other pertinent data and designed to ensure that all students demonstrate proficiency on all portions of state-mandated Arkansas Comprehensive Assessment Program exams;

~~(20)~~(30) "Social promotion" means the passage or promotion from one grade to the next of a student who has not demonstrated knowledge or skills required for grade-level academic proficiency;

~~(21)~~(31) "State board" means the State Board of Education; ~~and~~

~~(22)~~(32) "Uniform school readiness screening" means uniform, objective evaluation procedures which are geared to either kindergarten or first grade, as appropriate, and developed by the state board and specifically formulated for children entering public school for the first time-; and

(33) Value-added computations of student gains are statistical analyses of the educational impact of the school's instructional delivery system on individual student learning, using a comparison of previous and post student achievement gains against a national, demographically matched cohort.

## SECTION 12. Comprehensive Financial Impact Study.

The Department of Education shall conduct a comprehensive financial impact study of the cost of implementing the requirements of this act. The

results of the study shall be presented to the House Committee on Education and the Senate Committee on Education by February 1, 2005. If necessary, the department shall supplement or modify its initial report . Any such supplemental report shall be completed and presented to the committees by February 1, 2007.

SECTION 13. Effective date.

Unless otherwise provided herein, this subchapter shall become effective on July 1, 2004.

SECTION 14. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the Arkansas Supreme Court in Lake View School District No. 25 v. Huckabee, 351 Ark. 31 (2002) has declared the now current system of education to be unconstitutional because it is both inequitable and inadequate; that the Arkansas Supreme Court has set forth the test for a constitutional system to be one in which the state has an "absolute duty" to provide and "equal opportunity to an adequate education"; that the Arkansas Supreme Court has instructed the General Assembly to define and provide what is necessary to provide an adequate and equitable education for the children of Arkansas. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

- (1) The date of its approval by the Governor;
- (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or
- (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator Bryles

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Secretary