

1 State of Arkansas
2 84th General Assembly
3 Second Extraordinary Session, 2003
4

As Engrossed: H12/29/03
A Bill

Call Item 4

HOUSE BILL 1059

5 By: Representative Key
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7

For An Act To Be Entitled

9 AN ACT TO AMEND THE CHARTER SCHOOL LAW; AND FOR
10 OTHER PURPOSES.

Subtitle

11 AN ACT TO AMEND THE CHARTER SCHOOL LAW.
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16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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18 SECTION 1. Arkansas Code § 6-23-103(1), concerning definitions used in
19 the Arkansas Charter School Act of 1999, is amended to read as follows:

20 (1) "Charter" means a performance-based contract for an initial three-
21 year period that converts a public school to a charter school or authorizes
22 the creation and conditional operation of an open-enrollment charter school,
23 which exempts the charter school from state and local rules, regulations,
24 policies, and procedures specified in the contract and from the provisions of
25 ~~§ 6-1-101 et seq.~~ Title 6 of the Arkansas Code specified in the contract;
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27 SECTION 2. Arkansas Code § 6-23-204 is amended to read as follows:
28 6-23-204. Charter renewal.

29 The State Board of Education is authorized to renew charters on a one-
30 year or multiyear basis, not to exceed ~~three (3)~~ five (5) years, for local
31 schools after the initial three-year period if the renewal is approved by the
32 local school board.
33

34 SECTION 3. Arkansas Code § 6-23-302(c) and (d), pertaining to the
35 petition for an open-enrollment charter schools, is amended to read as
36 follows:



1 (c) The petition shall:

2 (1)(A) Describe the results of a public hearing called by the
3 petitioner for the purpose of assessing support of an application to initiate
4 a petition for charter school status.

5 (B)(i) Notice of the public hearing shall be published
6 once a week for three (3) consecutive weeks in a newspaper having general
7 circulation in each school district from which the charter school is likely
8 to draw students for the purpose of enrollment.

9 (ii) The last publication of notice shall be no less
10 than seven (7) days prior to the public meeting.

11 (iii) The notice shall not be published in the
12 classified or legal notice section of the newspaper.

13 (iv) The notice shall be published in no less than
14 ten-point size and shall be no less than two by four inches (2" x 4") or four
15 by two inches (4" x 2").

16 (C)(i) Within seven (7) calendar days following the first
17 publication of notice required under subdivision (c)(1)(B) of this section,
18 letters announcing the public hearing shall be sent to the superintendents
19 and school board members of each of the school districts from which the
20 charter school is likely to draw students for the purpose of enrollment and
21 the superintendents and school board members of any district that is
22 contiguous to the district in which the open-enrollment charter school will
23 be located;

24 (ii) The letters to the school board members
25 required in subdivision (c)(1)(C)(i) ~~shall only be required for each school~~
26 ~~board member whose name and mailing address are provided by the~~
27 ~~superintendent of an affected school district upon the request of the~~
28 petitioner may be mailed to the address of the office of the superintendent
29 of the affected school district;

30 (2) Describe a plan for academic achievement that addresses how
31 the open-enrollment charter school will improve student learning and meet the
32 state education goals;

33 (3) Outline the proposed performance criteria that will be used
34 during the initial three-year period of the open-enrollment charter school
35 operation to measure its progress in improving student learning and meeting
36 or exceeding the state education goals;

1 (4) List the specific provisions of ~~§ 6-1-101 et seq.~~ Title 6 of
2 the Arkansas Code and the specific rules and regulations promulgated by the
3 state board from which the open-enrollment charter school seeks to be
4 exempted;

5 (5)(A) Describe the facility to be used for the open-enrollment
6 charter school and state the facility's current use and the facility's use
7 for the immediately preceding three (3) years.

8 (B) If the facility to be used for an open-enrollment
9 charter school is a public school district facility, the open-enrollment
10 charter school must operate in the facility in accordance with the terms
11 established by the board of directors of the public school district in an
12 agreement governing the relationship between the open-enrollment charter
13 school and the public school district.

14 (C) If the facility that will be used for the charter
15 school is owned by or leased from a sectarian organization, the terms of the
16 facility agreement must be disclosed to the state board; and

17 (6) Include a detailed budget and a governance plan for the
18 operation of the open-enrollment charter school.

19 (d)(1) The petition shall be first reviewed ~~and approved~~ by the local
20 board of the district where the proposed open enrollment will operate.

21 (2) *However, if the local board disapproves the petition, the*
22 *petitioners shall have an immediate right to proceed with a written notice of*
23 *appeal to the state board, which shall hold a hearing within forty-five (45)*
24 *calendar days after receipt of the notice of appeal and where all interested*
25 *parties may appear and present relevant information regarding the proposed*
26 *open-enrollment charter school petition.*

27 SECTION 4. Arkansas Code § 6-23-304 is amended to read as follows:

28 6-23-304. Requirements - Preference for certain districts.

29 (a) The State Board of Education may approve or deny an application
30 based on criteria adopted by the state board, which shall include criteria
31 relating to improving student performance and encouraging innovative programs
32 and written findings or statements received by the board from any public
33 school district likely to be affected by the charter school.

34 (b) The state board shall give preference in approving an application
35 for a charter school to be located in any public school district:

36 (1) Where the percentage of students who qualify for free or

1 reduced price lunches is above the average for the state; or

2 (2) Where the percentage of students not reading at grade level
3 is above the average for the state.

4 ~~(e) The state board may grant no more than a total of twelve (12)~~
5 ~~charters for open enrollment charter schools, and no more than three (3) of~~
6 ~~such charters may be granted in any single congressional district in the~~
7 ~~state.~~

8 ~~(d)(1)~~ (c) No private or parochial elementary or secondary school
9 shall be eligible for open-enrollment charter school status.

10 ~~(2) No open enrollment charter school shall be located in a school~~
11 ~~district with an enrollment of fewer than five hundred (500) students at the~~
12 ~~time that the state board initially approves the charter.~~

13
14 SECTION 5. Arkansas Code § 6-23-307 is amended to read as follows:

15 6-23-307. Renewal of charter.

16 After the initial three-year period of an open-enrollment charter, the
17 State Board of Education is authorized to renew these charters on a one-year
18 or multiyear basis, not to exceed ~~three (3)~~ five (5) years per each charter
19 renewal.

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21 SECTION 6. Arkansas Code § 6-23-402 is amended to read as follows:

22 6-23-402. Enrollment numbers and deadline.

23 (a) An open-enrollment charter school may enroll a number of students
24 not to exceed the number of students specified in its charter or the initial
25 funding projected enrollment as of April 15 preceding the school year in
26 which the students are to attend.

27 ~~(b)(1) Any student enrolling in an open enrollment charter school~~
28 ~~shall enroll in that school by April 15 of the school year prior to the~~
29 ~~school year during which the student will be enrolled in the open enrollment~~
30 ~~charter school.~~

31 ~~(2) However, if a student enrolled by April 15 should no longer~~
32 ~~choose to attend the open enrollment charter school, the open enrollment~~
33 ~~charter school may enroll a replacement student.~~

34 ~~(e)~~(b) Open-enrollment charter schools shall keep records of
35 attendance in accordance with the law and submit quarterly attendance reports
36 to the Department of Education.

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SECTION 7. Arkansas Code § 6-23-501 is amended to read as follows:

6-23-501. Funding for open-enrollment charter schools.

(a)(1) An open-enrollment charter school shall receive funds equal to the minimum state and local revenue per average daily membership as defined in § 6-20-303.

(2) Funding for an open-enrollment charter school shall be based upon the current year three-quarter average daily membership of the open-enrollment charter school as follows:

(A) The initial funding estimate for each school year shall be ~~based on enrollment as of April 15 preceding the school year in which the students are to attend~~ based on the projected enrollment as of April 15 preceding the school year in which the students are to attend. Under no circumstances may a projected enrollment be greater than the maximum enrollment approved in any charter issued by the State Board of Education;

(B) In December, funding will be adjusted based on the first quarter average daily membership; and

(C) A final adjustment will be made after the current year three-quarter average daily membership is established.

(3) Funding for an open-enrollment charter school shall be paid in twelve (12) ~~equal~~ installments each fiscal year.

(b) Except for state transportation aid funds, an open-enrollment charter school may receive other state and federal aids, grants, and revenue as may be provided by law.

(c) Open-enrollment charter schools may receive gifts and grants from private sources in whatever manner is available to public school districts.

SECTION 8. Arkansas Code § 6-23-601(a), concerning petitions for limited charter school status, is amended to read as follows:

(a)(1) Any public school may petition the State Board of Education for a limited charter status for alternative comprehensive staffing and compensation programs designed to enhance student and teacher performance and improve employee salaries, opportunities, and incentives, to be known as a limited charter school.

(2) A limited charter shall be for the purpose of instituting alternative staffing practices in accordance with a schedule approved by the

1 state board.

2 (3) A limited charter shall be initially established for a
3 period of no more than three (3) years and may be renewed on a one-year or
4 multiyear basis, not to exceed ~~three (3)~~ five (5) years per charter renewal.

5
6 SECTION 9. Arkansas Code § 6-20-802 is amended to read as follows:

7 6-20-802. Purposes of loan.

8 Subject to the conditions and limitations contained in this subchapter,
9 any school district or charter school may borrow and the State Board of
10 Education may lend moneys in the Revolving Loan Fund for any of the following
11 purposes:

12 (1) The funding of its legally issued and outstanding postdated
13 warrants;

14 (2) The purchase of new or used school buses or the refurbishing
15 of school buses;

16 (3) The payment of premiums on insurance policies covering its
17 school buildings, facilities, and equipment in instances where the insurance
18 coverage extends three (3) years or longer;

19 (4) The replacement of or payment of the district's pro rata
20 part of the expense of employing professional appraisers as authorized by §
21 26-26-601 et seq. or other laws providing for the appraisal or reappraisal
22 and assessment of property for ad valorem tax purposes;

23 (5) The making of major repairs and the construction of
24 additions to existing school buildings and facilities;

25 (6) The purchase of surplus buildings and equipment;

26 (7) The purchase of sites for and the cost of construction
27 thereon of school buildings and facilities and the purchase of equipment for
28 the buildings;

29 (8) The purchase of its legally issued and outstanding
30 commercial bonds at a discount provided that a substantial savings in gross
31 interest charges can be thus effected;

32 (9) The refunding of all or any part of its legally issued and
33 outstanding debt, both funded and unfunded;

34 (10) The purchase of equipment;

35 (11) The payment on loans secured for settlement resulting from
36 litigation against a school district;

1 (12) The purchase of energy conservation measures as defined in
2 § 6-20-401; and

3 (13)(A)(i) The maintenance and operation of the school district
4 in an amount equal to delinquent property taxes resulting from bankruptcies
5 or receiverships of taxpayers; and

6 (ii) Loans to school districts in an amount equal to
7 insured facility loss or damage when the insurance claim is being litigated
8 or arbitrated.

9 (B) For purposes of this subdivision (13), the loans become
10 payable and due when the final settlement is made, and the loan limits
11 prescribed by § 6-20-803 shall not apply.

12
13 SECTION 10. Arkansas Code § 6-21-108(b)(1), concerning the authority
14 of school districts to donate property, is amended to read as follows:

15 (b)(1) If the board of directors for a school district determines that
16 any real estate owned or controlled by the district is not required for the
17 present or anticipated future needs of the school district and that the
18 donation thereof would serve a beneficial educational service for the pupils
19 of the district, then the school district is also empowered and authorized to
20 donate property or any part thereof to a publicly supported charter school,
21 institution of higher education or a vocational-technical or community
22 college, or any entity thereof, for any of the following limited purposes:

23 (A) Having the real property improved, upgraded,
24 rehabilitated, or enlarged by the donee; or

25 (B) Providing a publicly supported institution of higher
26 education or a vocational-technical or community college with the donated
27 property in which to hold classes for students who are from the district or
28 to educate pupils from within the donating school district even if students
29 from outside the district might also benefit.

30
31 SECTION 11. Arkansas Code § 6-20-402(a)(1)(B), concerning limitations
32 of school district indebtedness, is amended to read as follows:

33 (B) School district or charter school may enter into
34 public-private partnerships whereby the school district or charter school
35 enters into lease-purchase agreements for school buildings built by the
36 private entities with facilities bonds exempt from federal taxes under 26

1 U.S.C. § 142(a)(13), as in existence on January 1, 2003.

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/s/ Key

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