

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

SENATE BILL 746

5 By: Senator Hester
6

For An Act To Be Entitled

8 AN ACT TO ESTABLISH THE PARENTAL CHOICE SCHOLARSHIP
9 PROGRAM; AND FOR OTHER PURPOSES.
10

Subtitle

11
12 TO ESTABLISH THE PARENTAL CHOICE
13 SCHOLARSHIP PROGRAM.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code Title 6, Chapter 15, is amended to add an
20 additional subchapter to read as follows:

21 Subchapter 29 – Parental Choice Scholarship Program Act
22

23 6-15-2901. Title.

24 This subchapter shall be known and may be cited as the "Parental Choice
25 Scholarship Program Act".
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27 6-15-2902. Definitions.

28 As used in this section:

29 (1) "Eligible student" means any elementary or secondary student
30 who:

31 (A) Was eligible to attend a public school in Arkansas in
32 the preceding semester; or

33 (B) Is starting school in this state for the first time;

34 (2) "Parent" includes a guardian, custodian, or other person
35 with the authority to act on behalf of the student;

36 (3) "Participating school" means a private school that:



1 (A) Provides education to elementary or secondary
2 students; and

3 (B) Has notified the Department of Education of its
4 intention to:

5 (i) Participate in the Parental Choice Scholarship
6 Program; and

7 (ii) Comply with the program's requirements; and

8 (4) "Resident school district" means the public school district
9 in which the student resides.

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11 6-15-2903. Parental Choice Scholarship Program.

12 (a) There is established the Parental Choice Scholarship Program.

13 (b) Any eligible student shall qualify to receive a scholarship to
14 attend a participating school in an amount equal to the lesser of:

15 (1) The amount of tuition and fees for the participating school;

16 or

17 (2) The foundation funding amount under § 6-20-2305.

18 (c) An eligible student may continue to receive a scholarship under
19 this subchapter to attend a participating school until the eligible student
20 graduates from high school or turns twenty-one (21) years of age, whichever
21 comes first.

22 (d) A scholarship under this subchapter is the entitlement of the
23 eligible student under the supervision of the eligible student's parent and
24 not that of any school.

25 (e)(1) An eligible student's scholarship may only be used for
26 educational purposes.

27 (2) A participating school shall not refund, rebate, or share an
28 eligible student's scholarship with a parent or an eligible student in any
29 manner.

30 (f) If an eligible student is denied admission to a participating
31 school because the participating school has too few available spaces, the
32 eligible student may transfer his or her scholarship to a participating
33 school that has spaces available.

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35 6-15-2904. Accountability standards for participating schools.

36 (a) A participating school shall:

1 (1) Comply with all health and safety laws or codes;

2 (2) Hold a valid occupancy permit if required;

3 (3) Certify that the participating school complies with the
4 nondiscrimination policies set forth in 42 U.S.C § 1981, as it existed on
5 January 1, 2017;

6 (4)(A) Conduct criminal background checks on employees.

7 (B) The participating school shall exclude from employment
8 any people:

9 (i) Not permitted by state law to work in a public
10 school; and

11 (ii) That may reasonably pose a threat to the safety
12 of students;

13 (5) Demonstrate the participating school's financial
14 accountability by:

15 (A) Annually submitting to the Department of Education a
16 financial information report for the school that complies with uniform
17 financial accounting standards established by the department and conducted by
18 a certified public accountant; and

19 (B)(i) Having an auditor certify that the report is free
20 of material misstatements and fairly represents the costs per pupil,
21 including the costs of the testing required in subdivision (a)(7) of this
22 section.

23 (ii) The auditor's report under subdivision
24 (a)(5)(B)(i) of this section shall be limited in scope to those records that
25 are necessary for the department to make payments to participating schools on
26 behalf of parents for scholarships;

27 (6) Demonstrate the participating school's financial viability
28 by showing the participating school can repay any funds that may be owed the
29 state, if the participating school were to receive fifty thousand dollars
30 (\$50,000) or more during an academic year, by filing with the department
31 prior to the start of the school year:

32 (A) A surety bond payable to the state in an amount equal
33 to the aggregate amount of the scholarships under this subchapter expected to
34 be awarded during the school year to eligible students admitted at the
35 participating school; or

36 (B) Financial information that demonstrates the participating

1 school has the ability to pay an aggregate amount equal to the amount of the
2 scholarships under this subchapter expected to be awarded during the school
3 year to eligible students admitted to the participating school;

4 (7) Annually administer either the state-mandated assessments or
5 nationally norm-referenced tests that measure learning gains in math and
6 language arts, and provide for value-added assessment, to all eligible
7 students in grades in which the State Board of Education requires testing of
8 public school students.

9 (8) Provide the parents of each eligible student with a copy of
10 the results of the assessments or tests on an annual basis, beginning with
11 the first year of testing;

12 (9) Provide the test results to the department on an annual
13 basis, beginning with the first year of testing;

14 (10) Report student information that allows the department to
15 aggregate data by grade level, gender, family income level, and race; and

16 (11) Provide graduation rates of participating students to the
17 department in a manner required by the department.

18 (b) The department shall:

19 (1) Collect all test results provided to the department by
20 participating schools;

21 (2) After the third year of test and test-related data
22 collection, post on the department's website:

23 (A)(i) The test results and associated learning gains.

24 (ii) The information posted under subdivision
25 (b)(2)(A) of this section shall be aggregated by grade level, gender, family
26 income level, number of years receiving a scholarship under this subchapter,
27 and race; and

28 (B) Graduation rates;

29 (3) Administer an annual parental satisfaction survey that shall
30 ask parents of scholarship students to express:

31 (A) Their satisfaction with their child's academic
32 achievement, including academic achievement at the school their child
33 attended while receiving a scholarship under this subchapter versus academic
34 achievement at the school previously attended;

35 (B) Their satisfaction with school safety at the school
36 their child attends while receiving a scholarship under this subchapter

1 versus safety at the school previously attended;

2 (C) Whether their child would have been able to attend
3 their school of choice without the scholarship; and

4 (D) Their opinions on other topics, items, or issues that
5 the department determines would elicit information about the effectiveness of
6 the program and the number of years their child has participated in the
7 program; and

8 (4) Ensure compliance with all student privacy laws.

9 (c)(1) A participating school is autonomous and not an agent of the
10 state or federal government.

11 (2) The department and any other state agency shall not in any
12 way regulate the educational program of a participating school that accepts
13 funds from a scholarship under this subchapter.

14 (3) The creation of the program does not expand the regulatory
15 authority of the state, its officers, or any public school district to impose
16 any additional regulation of private schools beyond those necessary to
17 enforce the requirements of the program.

18 (4) Participating schools shall be given the maximum freedom to
19 provide for the educational needs of their students without governmental
20 control.

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22 6-15-2905. Responsibilities of the Department of Education.

23 (a)(1) The Department of Education shall ensure that eligible students
24 and their parents are informed annually of which schools will be
25 participating in the Parental Choice Scholarship Program.

26 (2) Special attention shall be paid to ensuring that low-income
27 families are made aware of the program and their options.

28 (b)(1) The department shall create a standard application for students
29 to use to submit to participating schools to establish their eligibility and
30 apply for admissions.

31 (2) Participating schools may require supplemental information
32 from applicants.

33 (3) The department shall ensure that the application is readily
34 available to interested families through various sources, including without
35 limitation the website of the department.

36 (c) The department may bar a school from participation in the Parental

1 Choice Scholarship Program if the department establishes that the
2 participating school has:

3 (1) Intentionally and substantially misrepresented information
4 required under § 6-15-2904(a);

5 (2) Routinely failed to comply with the accountability standards
6 established in § 6-15-2904(a)(1)-(6);

7 (3) Failed to comply with § 6-15-2903(e)(2);

8 (4) Failed to comply with § 6-15-2904(a)(7)-(11); or

9 (5) Failed to refund to the state any scholarship overpayments
10 in a timely manner.

11 (d)(1) If the department bars a participating school from the program
12 under subsection (c) of this section, the department shall immediately notify
13 eligible students and their parents.

14 (2) Students attending a school barred by the department shall
15 retain scholarship program eligibility to attend another participating
16 school.

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18 6-15-2906. Responsibilities of resident public school districts.

19 The resident school district shall provide a participating school that
20 has admitted an eligible student under the Parental Choice Scholarship
21 Program with a complete copy of the student's school records while complying
22 with the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. §
23 1232g.

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25 6-15-2907. Scholarship payments – Funding.

26 (a) Scholarship payments shall be disbursed by the Department of
27 Education or another state agency, person, firm, or corporation designated by
28 the department to administer and disburse funds.

29 (b) The Parental Choice Scholarship Program shall be funded separately
30 from the Public School Fund and other funds or appropriations designated for
31 public schools.

32 (c) The program shall not be funded with county, city, or school
33 district tax revenues.

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35 6-15-2908. Rules.

36 The Department of Education shall promulgate rules to implement this

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