1	State of Arkansas	As Engrossed: S3/3/97 S3/3/97				
2	81st General Assembly	A Bill				
3	Regular Session, 1997		SENATE BILL	56		
4						
5	By: Senators Russ and Brown					
6	By: Representative Bisbee					
7						
8		For An Act To Be Entitled				
9	"AN ACT	TO AUTHORIZE THE CREATION OF OPEN-ENROLLMENT				
10	CHARTER	SCHOOLS IN ARKANSAS; AND FOR OTHER PURPOSES."				
11						
12		Subtitle				
13		"TO AUTHORIZE THE CREATION OF				
14		OPEN-ENROLLMENT CHARTER SCHOOLS IN				
15		ARKANSAS."				
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17	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:					
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19	SECTION 1	. <u>Title.</u>				
20	This Act shall be known and cited as "The Arkansas Open-Enrollment					
21	Charter Schools Act of 1997.					
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23	SECTION 2	. <u>Legislative intent.</u>				
24	It is the	intent of the General Assembly, by this act,	to provide			
25	opportunities f	or teachers, parents, pupils, and community me	mbers to			
26	establish and m	aintain schools that operate independently fro	m the existing	<u>[</u>		
27	structure of lo	cal school districts as a method to accomplish	the following	<u>r :</u>		
28	<u>(1) Impr</u>	ove student learning;				
29	(2) Incr	ease learning opportunities for all students,	with special			
30	emphasis on exp	anded learning experiences for students who ar	e identified a	ıs		
31	<pre>low-achieving;</pre>					
32	<u>(3) Enco</u>	urage the use of different and innovative teac	hing methods;			
33	<u>(4)</u> Crea	te new professional opportunities for teachers	, including th	<u>ıe</u>		
34	opportunity to be responsible for the learning program at the school site;					
35	<u>(5)</u> Prov	ide parents and pupils with expanded choices i	n the types of	<u>:</u>		
36	educational opp	ortunities that are available within the publi	c school syste	em :		

- 1 and
- 2 (6) Hold the schools established under this act accountable for meeting
- 3 measurable student achievement standards.

- 5 SECTION 3. Authorization.
- 6 (a) As used in this act, "eligible entity" means:
- 7 (1) A public institution of higher education;
- 8 (2) A private institution of higher education;
- 9 (3) An organization that is nonsectarian in its program,
- 10 admission policies, employment practices and operations, and is exempt from
- 11 taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as
- 12 amended from time to time;
- 13 (4) A governmental entity.
- 14 (b) No private or parochial elementary or secondary school in existence
- 15 on the effective date of this act shall be eligible for charter school status.
- 16 (c) In accordance with this act, the State Board of Education may grant
- 17 a charter on the application of an eligible entity for an open-enrollment
- 18 charter school to operate in a facility of a commercial or nonprofit entity or
- 19 a school district.
- 20 (d) The State Board of Education may grant no more than a total of
- 21 fifteen (15) charters for an open-enrollment charter school and no more than
- 22 five (5) charters may be granted in any single congressional district in the
- 23 state.
- 24 (e) If the facility to be used for an open-enrollment charter school is
- 25 a school district facility, the charter school must be operated in the
- 26 facility in accordance with the terms established by the local district school
- 27 board in an agreement governing the relationship between the charter school
- 28 and the school district.
- 29 (f) An educator employed by a school district before the effective date
- 30 of a charter for an open-enrollment charter school operated at a school
- 31 district facility may not be transferred to or be employed by the
- 32 open-enrollment charter school over the educator's objection.
- 33 (f) If an educator is employed by a charter school and the charter is
- 34 revoked, the educator will receive a priority in hiring for the first
- 35 available position for which the educator is qualified in the school district
- 36 where the educator was formerly employed.

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- 2 SECTION 4. Authority under a charter.
- 3 An open-enrollment charter school:
- 4 (1) Shall provide instruction to students at one or more elementary or
- 5 secondary grade levels as provided by the charter;
- 6 (2) Shall be governed by an eligible entity that is fiscally accountable
- 7 and under the governing structure as described by the charter;
- 8 (3) Shall retain authority to operate under the charter contingent on
- 9 satisfactory student performance as provided by the charter and in accordance
- 10 with this act;
- 11 (4) Shall have no authority to impose taxes;
- 12 (5) Shall not incur any debts without the prior review and approval of
- 13 the Director of the General Education Division of the Arkansas Department of
- 14 Education; and
- 15 (6) Shall not charge students tuition or fees which would not be
- 16 allowable charges in the Arkansas public schools.

- 18 SECTION 5. Applicability of Title 6 of this code and rules and
- 19 regulations to an open-enrollment charter school.
- 20 An open-enrollment charter school is subject to Title 6 of this code and
- 21 rules and regulations promulgated by the State Board as authorized therein
- 22 only to the extent that their applicability to an open-enrollment charter
- 23 school is specifically provided for in Title 6 or in such rules and
- 24 regulations.

- 26 SECTION 6. Powers and restrictions.
- 27 (a) An open-enrollment charter school has all powers granted to schools
- 28 under this title.
- 29 (b) An open-enrollment charter school is subject to:
- 30 (1) A prohibition, restriction, or requirement imposed by this
- 31 title and any rule and regulation promulgated by the State Board of Education
- 32 under this title, relating to:
- 33 (A) Monitoring compliance with this Act, as determined by
- 34 the Director of the General Education Division of the Arkansas Department of
- 35 Education;
- 36 (B) Conducting criminal background checks for employees as

- 1 provided in this title;
- 2 (C) High school graduation requirements as established by
- 3 the State Board of Education;
- 4 (D) Special education programs as provided by this title;
- 5 and
- 6 (E) Public school accountability under this title.

- 8 SECTION 7. Status.
- 9 (a) An open-enrollment charter school shall be considered part of the
- 10 public school system of this state.
- 11 (b) An open-enrollment charter school shall be immune from liability to
- 12 the same extent as a public school district, and its employees and volunteers
- 13 shall be immune from liability to the same extent as the employees and
- 14 volunteers of a public school district.
- 15 (c)(1) An employee of an open-enrollment charter school who qualifies
- 16 for membership in the Arkansas Teacher Retirement System shall be covered
- 17 under the system to the same extent a qualified employee of a public school
- 18 district is covered.
- 19 (2) For each employee of the open-enrollment charter school
- 20 covered under the system, the school shall be responsible for making any
- 21 contribution that otherwise would be the legal responsibility of the local
- 22 school district.

- 24 SECTION 8. Funding.
- 25 (a) An open-enrollment charter school shall be entitled to receive
- 26 tuition from the local school district in which a student attending the school
- 27 resides in an amount equal to the minimum state and local revenue per average
- 28 daily membership as defined annually by the Department of Education.
- 29 (b) Charter school enrollments shall be submitted to the Department of
- 30 Education by March 15 preceding the school year in which the students will
- 31 attend the charter school.
- 32 (c) The Department of Education will verify charter school enrollments
- 33 and determine the amount of tuition owed by each affected school district to
- 34 the appropriate charter school by April 15.
- 35 (d) The Department of Education will withhold the appropriate tuition
- 36 amounts from each affected school district.

- 1 (e) The Department of Education will distribute the tuition funds
- 2 directly to the approved charter schools in the same manner and at the same
- 3 time as it does to public school districts.
- 4 (f) The Department of Education will adjust tuition payments based on
- 5 quarterly attendance reports submitted to the Department of Education by
- 6 charter schools and public school districts.

- 8 SECTION 9. Application forms and procedures.
- 9 (a) The State Board of Education shall adopt:
- 10 (1) An application form and a procedure that must be used to
- 11 apply for a charter for an open-enrollment charter school; and
- 12 (2) Criteria to use in selecting a program for which a charter
- 13 may be granted.
- 14 (b) The application form must provide space for including all
- 15 information required under Section 10 of this act to be contained in the
- 16 charter.
- 17 (c) As part of the application procedure, the board may require a
- 18 petition supporting a charter for a school signed by a specified number of
- 19 parents or guardians of school-age children residing in the area in which a
- 20 school is proposed or may hold a public hearing to determine parental support
- 21 for the school.
- 22 (d) The board may approve or deny an application based on criteria
- 23 adopted by the board. The criteria shall include:
- 24 (1) Criteria relating to improving student performance and
- 25 encouraging innovative programs; and
- 26 (2) A statement from any school district in which enrollment is
- 27 likely to be affected by the open-enrollment charter school, including
- 28 information relating to any financial difficulty that a loss in enrollment may
- 29 have on the district.
- 30 (e) The board shall give preference in approving an application to a
- 31 school district:
- 32 (1) Where thirty percent (30%) or more of the students qualify
- 33 for free lunches; or
- 34 (2) Where thirty percent (30%) or more of the students do not
- 35 read at grade level.

- 1 SECTION 10. Charter content.
- 2 Each charter granted under this act shall:
- 3 (1) Describe the educational program to be offered;
- 4 (2) Specify the period for which the charter or any charter renewal is
- 5 valid;
- 6 (3) Provide that continuation or renewal of the charter is contingent
- 7 on acceptable student performance on assessment instruments adopted by the
- 8 State Board of Education and on compliance with any accountability provision
- 9 specified by the charter, by a deadline, or at intervals specified by the
- 10 charter;
- 11 (4) Establish the level of student performance that is considered
- 12 acceptable for purposes of subsection (3) of this section;
- 13 (5) Specify any basis, in addition to a basis specified by this act, on
- 14 which the charter may be placed on probation or revoked or on which renewal of
- 15 the charter may be denied;
- 16 (6) Prohibit discrimination in admission policy on the basis of sex,
- 17 national origin, ethnicity, religion, disability, academic or athletic
- 18 eligibility, or the local school district the student would otherwise attend,
- 19 although the charter may provide for the exclusion of a student who has been
- 20 expelled from another school district in accordance with this title;
- 21 (7) Specify the grade levels to be offered;
- 22 (8) Describe the governing structure of the program;
- 23 (9) Specify the qualifications to be met by professional employees of
- 24 the program;
- 25 (10) Describe the process by which the person providing the program will
- 26 adopt an annual budget;
- 27 (11) Describe the manner in which the annual audit of the financial and
- 28 programmatic operations of the program is to be conducted, including the
- 29 manner in which the person providing the program will provide information
- 30 necessary for the school district in which the program is located to
- 31 participate;
- 32 (12) Describe the facilities to be used;
- 33 (13) Describe the geographical area served by the program; and
- 34 (14) Specify methods for applying for admission, enrollment criteria,
- 35 and student recruitment and selection processes.

- 1 SECTION 11. Charter form.
- 2 A charter for an open-enrollment charter school shall be in the form of
- 3 a written contract signed by the Chairman of the State Board of Education and
- 4 the chief operating officer of the school.

- 6 SECTION 12. Charter granted.
- 7 Each charter the State Board of Education grants for an open-enrollment
- 8 charter school shall:
- 9 (1) Satisfy the requirements of this act; and
- 10 (2) Ensure that the information required under Section 10 of this act
- 11 is consistent with the information provided in the application and any
- 12 modification the board may require.

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- 14 SECTION 13. Revision.
- 15 A revision of the charter of an open-enrollment charter school may be
- 16 made only with the approval of the State Board of Education.

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- 18 SECTION 14. Basis for placement on probation and charter modification,
- 19 revocation, or denial of renewal.
- 20 (a) The State Board of Education may place an open-enrollment charter
- 21 school on probation or may modify, revoke, or deny renewal of its charter if
- 22 the board determines that the person operating the school:
- 23 (1) Committed a material violation of the charter, including
- 24 failure to satisfy accountability provisions prescribed by the charter;
- 25 (2) Failed to satisfy generally accepted accounting standards of
- 26 fiscal management; or
- 27 (3) Failed to comply with this act or other applicable law or
- 28 regulation.
- 29 (b) Any act the board may take under subsection (a) of this section
- 30 shall be based on the best interests of the school's students, the severity of
- 31 the violation, and any previous violation the school has committed.

- 33 SECTION 15. Procedure for placement on probation and charter
- 34 modification, revocation, or denial of renewal.
- 35 (a) The State Board of Education shall adopt a procedure to be used for
- 36 placing an open-enrollment charter school on probation or modifying, revoking,

- 1 $\underline{\text{or denying renewal of the school's charter.}}$
- 2 (b) The procedure adopted under subsection (a) of this section shall
- 3 provide an opportunity for a hearing to the person operating the
- 4 open-enrollment charter school and to the parents and guardians of students in
- 5 the school. A hearing under this subsection shall be held at the facility at
- 6 which the program is operated.

- 8 SECTION 16. Application for admission.
- 9 For admission to an open-enrollment charter school, the person operating
- 10 the school may require the applicant to complete and submit an application no
- 11 later than a reasonable deadline established by the school.

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- 13 SECTION 17. Evaluation of open-enrollment charter schools.
- 14 (a) The State Department of Education shall conduct an annual
- 15 evaluation of open-enrollment charter schools.
- 16 (b) An evaluation shall include, but not be limited to, consideration
- 17 of the following:
- 18 (1) Student scores on assessment instruments;
- 19 (2) Student attendance;
- 20 (3) Student grades;
- 21 (4) Incidents involving student discipline;
- 22 (5) Socioeconomic data on students' families;
- 23 (6) Parent satisfaction with the schools; and
- 24 (7) Student satisfaction with the schools.
- 25 (c) The evaluation of open-enrollment charter schools shall also
- 26 include:
- 27 (1) The cost of instruction, administration, and transportation
- 28 incurred by the schools; and
- 29 (2) The effect of the schools on the local school districts and
- 30 on teachers, students, and parents in those districts.

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- 32 SECTION 18. All provisions of this act of a general and permanent
- 33 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
- 34 Code Revision Commission shall incorporate the same in the Code.

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36 SECTION 19. If any provision of this act or the application thereof to

1	any person or circumstance is held invalid, such invalidity shall not affect
2	other provisions or applications of the act which can be given effect without
3	the invalid provision or application, and to this end the provisions of this
4	act are declared to be severable.
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6	SECTION 20. All laws and parts of laws in conflict with this act are
7	hereby repealed.
8	/s/Russ et al
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