

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

# A Bill

SENATE BILL 416

5 By: Senator A. Clark  
6

## For An Act To Be Entitled

8 AN ACT TO AMEND PROVISIONS OF THE ARKANSAS CODE  
9 CONCERNING THE OPERATION AND FUNDING OF PUBLIC  
10 CHARTER SCHOOLS; AND FOR OTHER PURPOSES.  
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## Subtitle

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14 TO AMEND PROVISIONS OF THE ARKANSAS CODE  
15 CONCERNING THE OPERATION AND FUNDING OF  
16 PUBLIC CHARTER SCHOOLS.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code § 6-23-103(2), concerning the definition of  
22 "application" under the Arkansas Quality Charter School Act of 2013, is  
23 amended to read as follows:

24 (2) "Application" means the proposal for obtaining conversion  
25 public charter school status, or open-enrollment public charter school  
26 status, ~~or limited public charter school status;~~  
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28 SECTION 2. Arkansas Code § 6-23-103(8), concerning the definition of  
29 "limited public charter school", is repealed.

30 ~~(8) "Limited public charter school" means a public school that~~  
31 ~~has converted to operating under the terms of a limited public charter~~  
32 ~~approved by the local school district board of directors and the authorizer;~~  
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34 SECTION 3. Arkansas Code § 6-23-103(13), concerning the definition of  
35 "public charter school" under the Arkansas Quality Charter Schools Act of  
36 2013, is amended to read as follows:



1           (13) "Public charter school" means a conversion public charter  
2 school, or an open-enrollment public charter school, or a limited public  
3 charter school.

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5           SECTION 4. Arkansas Code § 6-23-105, concerning public charter school  
6 probation or charter modification, revocation, or denial of renewal, is  
7 amended to add an additional subsection to read as follows:

8           (e)(1)(A) Immediately upon the revocation of a charter by the  
9 authorizer, the public charter school shall:

10                           (i) Transfer to the department all state funds held  
11 by the public charter school, which the department shall hold in  
12 receivership; and

13                           (ii) Provide to the department a detailed accounting  
14 of all accounts payable due from the state funds and any additional  
15 information or records requested by the department concerning the  
16 disbursement of the state funds.

17                           (B) The department shall hold funds received under  
18 subdivision (e)(1)(A) of this section in a separate fund and shall expend the  
19 funds only with prior approval of the Commissioner of Education.

20                           (C) If the State Board of Education reverses the  
21 revocation, the department shall return any funds remaining in receivership  
22 to the public charter school.

23           (2)(A) The department shall establish a procedure for a claimant  
24 to file a claim for disbursement from the state funds.

25                           (B) The determination of the department concerning the  
26 disbursement of the state funds is final and may not be appealed.

27           (3) If funds remain in receivership for which no legitimate,  
28 documented claim has been made to the department within one (1) calendar year  
29 after the revocation, the remaining funds shall be transferred to the Public  
30 School Fund.

31           (4) The state board may promulgate rules to implement this  
32 subsection.

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34           SECTION 5. Arkansas Code § 6-23-306(14)(B)(ii)(a), concerning charter  
35 school enrollment preference, is amended to read as follows:

36                           (ii) However, an open-enrollment public charter

1 school may allow a preference for:

2 (a)(1) Children of the founding members and  
3 children of full-time employees and teachers of the eligible entity.

4 (2) The number of enrollment preferences  
5 granted to children of founding members and children of full-time employees  
6 and teachers shall not exceed ten percent (10%) of the total number of  
7 students enrolled in the open-enrollment public charter school; and

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9 SECTION 6. Arkansas Code § 6-23-501(a)(1)-(4), concerning charter  
10 school funding, is amended to read as follows:

11 (a)(1) An open-enrollment public charter school shall receive funds  
12 equal to the amount that a public school would receive under § 6-20-2305(a)  
13 and (b) as well as any other funding that a public charter school is entitled  
14 to receive under law or under rules promulgated by the State Board of  
15 Education.

16 (2)(A) For the first year of operation, and the first year  
17 operating under a new license, the first year adding a new campus, and for  
18 the first year the open-enrollment public charter school adds in any year a  
19 new grade is added at any campus, the foundation funding and enhanced  
20 educational funding for an open-enrollment public charter school is  
21 determined as follows:

22 (i) The initial funding estimate shall be based on  
23 enrollment as of July 1 of the current school year;

24 (ii) In December, funding will be adjusted based  
25 upon the first quarter average daily membership; and

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

28 (B) For the second year and each school year thereafter,  
29 the previous year's average daily membership will be used to calculate  
30 foundation funding and any enhanced educational funding amounts.

31 (3) National school lunch state categorical funding under § 6-  
32 20-2305(b)(4) shall be provided to an open-enrollment public charter school  
33 as follows:

34 (A) For the first year of operation, the first year  
35 operating under a new license, the first year adding a new campus, and in any  
36 year when a grade is added at any campus, free or reduced-price meal

1 eligibility data as reported by October 1 of the current school year will be  
 2 used to calculate the national school lunch state categorical funding under  
 3 the state board rules governing special needs funding; and

4 (B) For the second year and each school year of operation  
 5 thereafter, the previous year's October 1 national school lunch student count  
 6 as specified in state board rules governing special needs funding will be  
 7 used to calculate national school lunch state categorical funding for the  
 8 open-enrollment public charter school.

9 (4) Professional development funding under § 6-20-2305(b)(5)  
 10 shall be provided to an open-enrollment public charter school for the first  
 11 year of operation, the first year operating under a new license, the first  
 12 year adding a new campus, and in any year in which a grade is added at any  
 13 campus as follows:

14 (A)(i) In the first year of operation the open-enrollment  
 15 public charter school shall receive professional development funding based  
 16 upon the initial projected enrollment student count as of July 1 of the  
 17 current school year multiplied by the per-student professional development  
 18 funding amount under § 6-20-2305(b)(5) for that school year.

19 (ii) For the second year and each school year  
 20 thereafter, professional development funding will be based upon the previous  
 21 year's average daily membership multiplied by the per-student professional  
 22 development funding amount for that school year.

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 25 SECTION 7. Arkansas Code § 6-23-908(b)(2), concerning charter school  
 26 funding, is amended to read as follows:

27 (2) For an open-enrollment public charter school in its first  
 28 year of operation, the first year operating under a new license, the first  
 29 year adding a new campus, or ~~for an open-enrollment public charter school~~  
 30 ~~that adds~~ in any year a new grade is added at any campus, the funding from  
 31 the program shall be determined using the method under § 6-23-501(a)(2)(A).

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