

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023  
4

# A Bill

SENATE BILL 471

5 By: Senator C. Tucker  
6 By: Representative Hudson  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND ACTS 2023, NO. 237, KNOWN AS THE  
10 "LEARNS" ACT; TO AMEND THE ARKANSAS CHILDREN'S  
11 EDUCATIONAL FREEDOM ACCOUNT PROGRAM TO ALLOW A PARENT  
12 OF A PARTICIPATING STUDENT TO ELECT TO DIRECT ACCOUNT  
13 FUNDS TO THE RESIDENT PUBLIC SCHOOL TO WHICH THE  
14 PARTICIPATING STUDENT IS ASSIGNED; AND FOR OTHER  
15 PURPOSES.  
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## Subtitle

18 TO AMEND THE ARKANSAS CHILDREN'S  
19 EDUCATIONAL FREEDOM ACCOUNT PROGRAM TO  
20 ALLOW A PARENT OF A PARTICIPATING STUDENT  
21 TO ELECT TO DIRECT ACCOUNT FUNDS TO THE  
22 RESIDENT PUBLIC SCHOOL TO WHICH THE  
23 PARTICIPATING STUDENT IS ASSIGNED  
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27 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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29 SECTION 1. Arkansas Code § 6-18-2505(b)(1), as created by Acts 2023,  
30 No. 237, and concerning the payment installments made by the Department of  
31 Education to a participating school or participating service provider in  
32 which a participating student is enrolled, is amended to read as follows:

33 (b)(1) ~~For~~ Except as provided under subsection (j) of this section,  
34 for the 2023-2024 school year, on behalf of participating students enrolled  
35 in participating schools or with participating service providers and at the  
36 direction of a participating student's parent, the Department of Education



1 shall make four (4) equal payments in quarterly installments from the  
 2 participating student's account to the participating school or participating  
 3 service provider in which the participating student is enrolled for tuition,  
 4 fees, and costs associated with testing and uniforms.

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 6 SECTION 2. Arkansas Code § 6-18-2505(d), as created by Acts 2023, No.  
 7 237, and concerning prohibitions on the use of account funds under the  
 8 Arkansas Children's Educational Freedom Account Program, is amended to read  
 9 as follows:

10 (d) ~~Account~~ Except as otherwise provided under subsection (j) of this  
 11 section, account funds shall:

12 (1)(A) Not be refunded, rebated, or shared with a parent or  
 13 participating student in any manner.

14 (B) Any refund or rebate for goods or services purchased  
 15 with account funds shall be credited directly to the participating student's  
 16 account; and

17 (2) Be used only for qualifying education expenses for a  
 18 participating student.

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 20 SECTION 3. Arkansas Code § 6-18-2505(j), as created by Acts 2023, No.  
 21 237, and concerning the promulgation of rules by the State Board of Education  
 22 under the Arkansas Children's Educational Freedom Account Program,, is  
 23 amended to add an additional subsection to read as follows:

24 (j)(1)(A) A parent of a participating student may annually elect to  
 25 direct the account funds his or her child is eligible to receive under this  
 26 section to the resident public school to which his or her child is assigned.

27 (B)(i) For the 2023-2024 school year, upon the direction  
 28 of a participating student's parent under subdivision (j)(1)(A) of this  
 29 section, the department shall make four (4) equal payments of the amount  
 30 determined under subdivision (a)(1) of this section in quarterly installments  
 31 from the participating student's account to the resident public school to  
 32 which the participating student is assigned.

33 (ii) The department may:

34 (a) Contract with a vendor or provider,  
 35 including without limitation a private institution, to disburse the payments  
 36 under this subdivision (j)(1)(B);

1 (b) Work with public schools and public school  
2 districts to develop a process to disburse the payments under this  
3 subdivision (j)(1)(B); and

4 (c) Withhold up to five percent (5%) of funds  
5 allocated for each account annually for the administration of the program.

6 (C)(i) Beginning with the 2024-2025 school year and each  
7 year thereafter, the department shall develop a system for a parent who  
8 elects to redirect the account funds of his or her child who is a  
9 participating student under subdivision (j)(1)(A) of this section to direct  
10 the account funds to the resident public school to which his or her child is  
11 assigned by electronic funds transfer, automated clearing house transfer,  
12 debit card, or another system.

13 (ii) The department may:

14 (a) If feasible, utilize the same system  
15 required to be developed under subdivision (e)(1) of this section for  
16 purposes of directing account funds;

17 (b) Contract with a vendor or provider,  
18 including without limitation a private institution, to manage the payment  
19 system used for purposes of implementing this subdivision (j)(1)(C);

20 (c) Work with public schools and public school  
21 districts to develop the system required under this subdivision (j)(1)(C);  
22 and

23 (d) Withhold up to five percent (5%) of funds  
24 allocated for each account annually for the administration of the program.

25 (k) The state board may promulgate rules to implement this subchapter.  
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