1	State of Arkansas	As Engrossed: H3/27/17		
2	91st General Assembly	A Bill		
3	Regular Session, 2017		SENATE BILL 416	
4				
5	By: Senator A. Clark			
6				
7		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 S	CHOOLS; AND FOR OTHER PURPOSES.		
11				
12 13		Subtitle		
13 14	TO A	MEND PROVISIONS OF THE ARKANSAS (CODE	
15	-	CERNING THE OPERATION AND FUNDING		
16		IC CHARTER SCHOOLS.	Or .	
17	1000	TO OMERITAR BOHOODS.		
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19	BE IT ENACTED BY THE	GENERAL ASSEMBLY OF THE STATE OF	ARKANSAS:	
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21	SECTION 1. Ark	ansas Code § 6-23-103(2), concern	ning the definition of	
22	"application" under t	he Arkansas Quality Charter Schoo	ol Act of 2013, is	
23	amended to read as fo	llows:		
24	(2) "App	lication" means the proposal for	obtaining conversion	
25	public charter school	status, or open-enrollment publi	c charter school	
26	status , or limited pu	blic charter school status ;		
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28	SECTION 2. Ark	ansas Code § 6-23-103(8), concern	ning the definition of	
29	"limited public chart	er school", is repealed.		
30	(8) "Lim	ited public charter school" means	a public school that	
31	has converted to oper	ating under the terms of a limite	ed public charter	
32	approved by the local	school district board of directo	ers and the authorizer;	
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34		ansas Code § 6-23-103(13), concer	_	
35	"public charter schoo	l" under the Arkansas Quality Cha	arter Schools Act of	
36	2013, is amended to re	ead 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.		
4			
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.		
33			
34	SECTION 5. Arkansas Code § $6-23-302(c)(5)(A)$, concerning a description		
35	in the application for an open-enrollment public charter school of the		
36	facility to be used, is amended to read as follows:		

1	(5)(A) Describe in general terms the area within the boundaries			
2	of the school district where the applicant intends to obtain a facility to be			
3	used for the open-enrollment public charter school and state the facility's			
4	current use.			
5				
6	SECTION 6. Arkansas Code § 6-23-306(14)(B)(ii)(a), concerning charter			
7	school enrollment preference, is amended to read as follows:			
8	(a)(l) Children of the founding members and			
9	children of full-time employees and teachers of the eligible entity.			
10	(2) The number of enrollment preference.			
11	granted to children of founding members and children of full-time employees			
12	and teachers shall not exceed ten percent (10%) of the total number of			
13	students enrolled in the open-enrollment public charter school; and			
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15	SECTION 7. Arkansas Code § 6-23-310 is amended to read as follows:			
16	6-23-310. Status report.			
17	The authorizer shall report on the status of the open-enrollment public			
18	charter school programs to the General Assembly each biennium and to the			
19	House Committee on Education and the Senate Committee on Education during th			
20	interim between regular sessions of the General Assembly:			
21	(1) The status of the open-enrollment public charter school			
22	programs; and			
23	(2) A summary of the authorizing activities in the preceding			
24	year, including without limitation the number and type of charters approved,			
25	denied, and amended.			
26				
27	SECTION 8. Arkansas Code \S 6-23-501(a)(1)-(4), concerning charter			
28	school funding, is amended to read as follows:			
29	(a)(1) An open-enrollment public charter school shall receive funds			
30	equal to the amount that a public school would receive under § 6-20-2305(a)			
31	and (b) as well as any other funding that a public charter school is entitled			
32	to receive under law or under rules promulgated by the State Board of			
33	Education.			
34	(2)(A) For the first year of operation, and the first year			
35	operating under a new license, the first year adding a new campus, and for			
36	the first year the open-enrollment public charter school adds in any year a			

1 new grade is added at any campus, the foundation funding and enhanced

- 2 educational funding for an open-enrollment public charter school is
- 3 determined as follows:
- 4 (i) The initial funding estimate shall be based on
- 5 enrollment as of July 1 of the current school year;
- 6 (ii) In December, funding will be adjusted based
- 7 upon the first quarter average daily membership; and
- 8 (iii) A final adjustment will be made after the
- 9 current three-quarter average daily membership is established.
- 10 (B) For the second year and each school year thereafter,
- ll the previous year's average daily membership will be used to calculate
- 12 foundation funding and any enhanced educational funding amounts.
- 13 (3) National school lunch state categorical funding under § 6-
- 14 20-2305(b)(4) shall be provided to an open-enrollment public charter school
- 15 as follows:
- 16 (A) For the first year of operation, the first year
- 17 operating under a new license, the first year adding a new campus, and in any
- 18 year when a grade is added at any campus, free or reduced-price meal
- 19 eligibility data as reported by October 1 of the current school year will be
- 20 used to calculate the national school lunch state categorical funding under
- 21 the state board rules governing special needs funding; and
- 22 (B) For the second year and each school year of operation
- 23 thereafter, the previous year's October 1 national school lunch student count
- 24 as specified in state board rules governing special needs funding will be
- 25 used to calculate national school lunch state categorical funding for the
- 26 open-enrollment public charter school.
- 27 (4) Professional development funding under § 6-20-2305(b)(5)
- 28 shall be provided to an open-enrollment public charter school for the first
- 29 year of operation, the first year operating under a new license, the first
- 30 year adding a new campus, and in any year in which a grade is added at any
- 31 campus as follows:
- 32 (A)(i) In the first year of operation the open-enrollment
- 33 public charter school shall receive professional development funding based
- 34 upon the initial projected enrollment student count as of July 1 of the
- 35 current school year multiplied by the per-student professional development
- 36 funding amount under $\S 6-20-2305(b)(5)$ for that school year.

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1	(ii) For the second year and each school year		
2	thereafter, professional development funding will be based upon the previous		
3	year's average daily membership multiplied by the per-student professional		
4	development funding amount for that school year.		
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6	SECTION 9. Arkansas Code \S 6-23-908(b)(2), concerning charter school		
7	funding, is amended to read as follows:		
8	(2) For an open-enrollment public charter school in its first		
9	year of operation, the first year operating under a new license, the first		
10	year adding a new campus, or for an open-enrollment public charter school		
11	that adds in any year a new grade is added at any campus, the funding from		
12	the program shall be determined using the method under $ 6-23-501(a)(2)(A) $.		
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14	/s/A. Clark		
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