

State of Arkansas

As Engrossed: S4/9/25

95th General Assembly

## A Bill

Regular Session, 2025

SENATE BILL 625

By: Senator B. Davis

By: Representative Brooks

### For An Act To Be Entitled

AN ACT TO AMEND PROVISIONS OF THE ARKANSAS CODE  
CONCERNING THE ARKANSAS CHILDREN'S EDUCATIONAL  
FREEDOM ACCOUNT PROGRAM; TO DECLARE AN EMERGENCY; AND  
FOR OTHER PURPOSES.

### Subtitle

TO AMEND PROVISIONS OF THE ARKANSAS CODE  
CONCERNING THE ARKANSAS CHILDREN'S  
EDUCATIONAL FREEDOM ACCOUNT PROGRAM; AND  
TO DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 6-18-2503(11), concerning the definition of  
"qualifying expenses" under the Arkansas Children's Educational Freedom  
Account Program, is amended to read as follows:

(11) "Qualifying expenses" means expenses that include the  
following:

~~(A)(i) For the 2023-2024 school year, "qualifying~~  
~~expenses" shall include:~~

~~(a)(A)~~ Tuition;

~~(b)(B)~~ Fees;

~~(c)(C)~~ The cost of testing under this subchapter;

~~(d)(D)~~ The cost of required school uniforms, if any, at a  
participating school; ~~and~~

(E) Reasonable costs associated with co-curricular courses  
in the fine arts, music, or STEM fields if the co-curricular course is



1 offered by a public school within the state;

2 ~~(e)(F)~~ Expenses determined by a participating school to be  
3 necessary for the education of a participating student and required to be  
4 paid by a participating student who is enrolled in the participating school,  
5 including without limitation expenses related to:

6 ~~(1)(i)~~ Supplies;  
7 ~~(2)(ii)~~ Equipment; and  
8 ~~(3)(iii)~~ ~~Access to technology; and~~  
9 ~~(4)~~ Services provided by or at the participating  
10 school;

11 ~~(ii) "Qualifying expenses" shall not mean optional~~  
12 ~~expenses payable to a third party; and~~

13 ~~(B) Beginning with the 2024-2025 school year and each~~  
14 ~~year thereafter, "qualifying expenses" shall include those listed under~~  
15 ~~subdivision (11)(A) of this section and include the following:~~

16 ~~(i)(G)~~ Instructional materials required for either in-  
17 person or virtual instruction provided by a participating service provider or  
18 participating school;

19 ~~(ii)(H)~~ Instructional or tutoring services;

20 ~~(iii)(I)~~ Curriculum;

21 ~~(iv)(J)~~ Supplemental materials or supplies required by a  
22 course of study for a particular content area;

23 ~~(v)(K)~~ Fees for:

24 ~~(a)(i)~~ Courses and associated examinations for  
25 college credit; and

26 ~~(b)(ii)~~ Any examination related to postsecondary  
27 educational institution admission;

28 ~~(vi)(L)~~ Fees for:

29 ~~(a)(i)~~ Courses and associated examinations for  
30 career training; and

31 ~~(b)(ii)~~ Any examination required in order to obtain  
32 an industry-based credential;

33 ~~(vii)(M)~~ Educational services provided by a licensed or  
34 accredited practitioner or participating service provider to a participating  
35 student who is a student with a disability;

36 ~~(viii)(N)~~ Fees for account management by participating

1 service providers;

2 ~~(ix)(a)~~(O)(i) Technological devices used to meet a  
3 participating student's educational needs, which shall not include:

4 ~~(1)(a)~~ A television;

5 ~~(2)(b)~~ A video game console or accessory; ~~or~~

6 ~~(3)(c)~~ Home theater or audio equipment; or

7 (d) A telephone, cell phone, or other  
8 communication device unless the telephone, cell phone, or other communication  
9 device is for a student with a disability who is unable to communicate  
10 through other means or is required as part of an academic modification as  
11 specified by a clinician.

12 ~~(b)(ii)~~ Technological devices under subdivision  
13 ~~(11)(B)(ix)(a)~~ (11)(O)(i) of this section are subject to approval by the  
14 Department of Education or a licensed physician;

15 ~~(x)---Costs~~ (P) Reasonable costs, not to exceed twenty-five  
16 percent (25%) of the funds allocated to a student's account in a fiscal year,  
17 that are associated with transportation to and from a participating service  
18 provider or participating school; ~~and~~

19 (Q) Reasonable costs, not to exceed twenty-five percent  
20 (25%) of the funds allocated to a student's account in a fiscal year, for  
21 extracurricular activities, physical education activities, or educational  
22 field trips that occur within the State of Arkansas; and

23 ~~(xi)(R)~~ Any other educational expense approved by the  
24 Division of Elementary and Secondary Education.

25  
26 SECTION 2. Arkansas Code § 6-18-2503, concerning the definition of  
27 "qualifying expenses" under the Arkansas Children's Educational Freedom  
28 Account Program, is amended to add additional subdivisions to read as  
29 follows:

30 (12) "Course" means a discrete program of study that follows a  
31 predetermined syllabus or specification;

32 (13) "Completed student application" means:

33 (A) A fully finished online application that includes all  
34 required fields completed and all applicable documentation attached to the  
35 application for the Department of Education to determine the potential award  
36 status of an applicant; or

1 (B) A fully finished paper application that:

2 (i) Includes all required fields completed and all  
3 applicable documentation attached to the application for the department to  
4 determine the potential award status of an applicant; and

5 (ii) Bears a postmark indicating that it was placed  
6 in transit with the United States Postal Service or other common carrier  
7 before the application deadline;

8 (14) "Home school" means a school provided by a parent who has  
9 filed a notice of intent to home school for his or her own child as required  
10 by § 6-15-503; and

11 (15) "School year" means the duration of school from July 1  
12 through June 30.

13  
14 SECTION 3. Arkansas Code § 6-18-2505(b)-(f), concerning account funds  
15 under the Arkansas Children's Educational Freedom Account Program, are  
16 amended to read as follows:

17 (b)(1) ~~For the 2023-2024 school year, on~~ On behalf of participating  
18 students enrolled in participating schools or with participating service  
19 providers and at the direction of a participating student's parent, the  
20 Department of Education shall make ~~four (4) equal payments in quarterly~~  
21 ~~installments~~ disbursements from the participating student's account to the  
22 participating school or participating service provider in which the  
23 participating student is enrolled for ~~tuition, fees, and costs associated~~  
24 ~~with testing and uniforms~~ qualifying expenses.

25 (2) The department may:

26 (A) Contract with a vendor or provider to manage the  
27 payment system used for purposes of implementing this subsection; and

28 (B) Withhold up to five percent (5%) of funds allocated  
29 for each account annually for the administration of the Arkansas Children's  
30 Educational Freedom Account Program.

31 (c) ~~For the 2023-2024 school year, if a participating student is~~  
32 ~~enrolled full-time in a participating school or with a participating service~~  
33 ~~provider and the total amount of tuition, fees, testing, and uniform costs is~~  
34 ~~less than the amount determined under subsection (a) of this section, the~~  
35 ~~amount allocated to the student shall be the lesser amount.~~

36 ~~(d)~~ Account funds shall:

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

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

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

~~(e)(1)(d)(1) Beginning with the 2024-2025 school year and each year thereafter, the~~ The department shall develop a system for parents to direct account funds to participating schools and participating service providers by electronic funds transfer, automated clearinghouse transfer, debit card, or another system.

(2) The department may:

(A) Contract with a vendor or provider, including without limitation a private institution, to manage the payment system used for purposes of implementing this subsection; and

(B) ~~Withhold up to five percent (5%)~~ Permit a vendor, pursuant to contract, to withhold up to two percent (2%) of funds allocated for each account annually for the administration of the Arkansas Children's Educational Freedom Account Program.

(3) The department shall:

(A) Not adopt a payment system under this subsection that relies exclusively on requiring parents to be reimbursed for out-of-pocket expenses; and

(B) Ensure a payment system developed under this subsection provides maximum flexibility to parents by facilitating direct payments to participating service providers and requests for ~~preapproval of~~ and reimbursements for qualifying expenses.

~~(f)(1)(e)(1)~~ (1) An account shall remain in force, and any unused funds shall roll over from quarter-to-quarter and from year-to-year, until one (1) or more of the following occurs:

(A) A parent withdraws his or her participating student from the ~~program~~ Arkansas Children's Educational Freedom Account Program;

(B) A participating student graduates from high school; ~~or~~

(C) The end of the school year if a participating student turns twenty-one (21) years of age, ~~whichever occurs first~~ during the school

1 year;

2 (D) A participating student is expelled from a  
3 participating school; or

4 (E) A participating student is otherwise rendered  
5 ineligible to participate in the Arkansas Children's Educational Freedom  
6 Account Program.

7 (2) An account shall be closed before an event occurs under  
8 subdivision ~~(f)(1)~~ (e)(1) of this section if the State Board of Education  
9 finds:

10 (A) ~~A substantial~~ Evidence of misuse of account funds; or

11 (B) That a parent has failed to comply with this  
12 subchapter or state board rules governing the Arkansas Children's Educational  
13 Freedom Account Program.

14 (3)(A) Any unused funds shall revert to the division and be  
15 allocated to fund other accounts.

16 (B) The division may pursue the collection of account  
17 funds when evidence of misuse of account funds has been shown through all  
18 means permitted by law.

19 ~~(B)(i)(C)(i)~~ There shall be a maximum amount of funds  
20 allowed to remain in each participating student's account.

21 (ii) The state board may establish rules to  
22 determine the:

23 (a) Maximum amount of funds allowed under  
24 subdivision ~~(f)(3)(B)(i)~~ (e)(3)(C)(i) of this section; and

25 (b) Process by which account funds will be  
26 returned to the appropriate fund within the department.

27  
28 SECTION 4. Arkansas Code § 6-18-2505, concerning account funds under  
29 the Arkansas Children's Educational Freedom Account Program, is amended to  
30 add an additional subsection to read as follows:

31 (k)(1) The division shall provide a time frame for the submission of  
32 applications under this subchapter that shall begin no sooner than February 1  
33 and finish no later than May 1 for an upcoming school year.

34 (2) At the time of submitting a completed student application,  
35 an applicant shall indicate whether he or she will attend a private school or  
36 file a notice of intent to home school.

1           (3) If an applicant changes from one participating school to  
2 another participating school, a home school to a participating school, or a  
3 participating school to a home school, the applicant shall not be entitled to  
4 any increase in funding under this subchapter.

5  
6           SECTION 5. Arkansas Code § 6-18-2506 is amended to read as follows:

7           6-18-2506. Student eligibility – Initial and continuing.

8           (a) A Beginning with the 2025-2026 school year, a student is initially  
9 eligible for an account if the student:

10           (1) Has a parent who is a resident of the State of Arkansas as  
11 defined by § 6-18-202; and

12           (2) Is eligible to enroll in a public elementary or secondary  
13 school in this state; ~~and.~~

14           ~~(3) Meets the following criteria:~~

15                   ~~(A)(i) For the 2023-2024 school year, a student shall be~~  
16 ~~eligible if the student is at least one (1) of the following:~~

17                           ~~(a) A student with a disability identified~~  
18 ~~under the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et~~  
19 ~~seq., as it existed on January 1, 2023;~~

20                           ~~(b) A student who is considered homeless under~~  
21 ~~the McKinney-Vento Homeless Assistance Act, 42 U.S.C. § 11431 et seq., as it~~  
22 ~~existed on January 1, 2023;~~

23                           ~~(c) A foster child or a former foster child;~~

24                           ~~(d)(1) A student who is currently~~  
25 ~~participating in the Succeed Scholarship Program, § 6-41-901 et seq.~~  
26 ~~{repealed}.~~

27                           ~~(2) A student who participated in the~~  
28 ~~Succeed Scholarship Program during the 2022-2023 school year and elects to~~  
29 ~~enroll in the Arkansas Children's Educational Freedom Account Program under~~  
30 ~~this subchapter shall receive one hundred percent (100%) of the prior year's~~  
31 ~~statewide foundation funding amount allotted per student under § 6-20-2305~~  
32 ~~until:~~

33                                   ~~(A) The participating student~~  
34 ~~graduates from high school;~~

35                                   ~~(B) The participating student~~  
36 ~~receives a certificate of completion; or~~

~~(C) An event that requires an account to be closed under § 6-18-2505(f)(1) or § 6-18-2505(f)(2) occurs;~~

~~(e) A child of active duty uniformed service personnel, as identified under Title 10, Title 32, Title 33, or Title 42 of the United States Code;~~

~~(f) A student who was enrolled in the previous school year in a:~~

~~(1) Public school that has a rating of "F" under §§ 6-15-2105 and 6-15-2106 and State Board of Education rules; or~~

~~(2) Public school district classified as in need of Level 5—Intensive support under § 6-15-2913 or § 6-15-2915; or~~

~~(g) A student who is enrolling in kindergarten for the first time.~~

~~(ii)(a) For the 2023-2024 school year, a maximum of one and five-tenths percent (1.5%) of the 2022-2023 total public school student enrollment may be approved to participate in the Arkansas Children's Educational Freedom Account Program.~~

~~(b) However, the number of students approved to participate in the Arkansas Children's Educational Freedom Account Program under subdivision (a)(3)(A)(ii)(a) of this section shall not exceed the amount of funds made available for the Arkansas Children's Educational Freedom Account Program;~~

~~(B)(i) For the 2024-2025 school year, student eligibility shall expand to include students who meet at least one (1) of the following:~~

~~(a) All students who are eligible under subdivision (a)(3)(A) of this section;~~

~~(b) Students who were enrolled in the prior school year in public schools rated "D" or "F" under §§ 6-15-2105 and 6-15-2106 and state board rules; and~~

~~(c) Students whose parents are:~~

~~(1) Veterans as identified under Title 38 of the United States Code;~~

~~(2) In the uniformed service reserve components;~~

~~(3) First responders; or~~

~~(4) Law enforcement officers.~~



1                   ~~(ii)(a) For the 2024-2025 school year, a maximum of~~  
2 ~~three percent (3%) of the 2022-2023 total public school student enrollment~~  
3 ~~may be approved to participate in the Arkansas Children's Educational Freedom~~  
4 ~~Account Program.~~

5                   ~~(b) The number of students approved to participate~~  
6 ~~in the Arkansas Children's Educational Freedom Account Program under~~  
7 ~~subdivision (a)(3)(B)(ii)(a) of this section shall.~~

8                   ~~(1) Include any students who are continuing to~~  
9 ~~participate in the Arkansas Children's Educational Freedom Account Program~~  
10 ~~from the 2023-2024 school year; and~~

11                   ~~(2) Not exceed the amount of funds made~~  
12 ~~available for the Arkansas Children's Educational Freedom Account Program;~~  
13 ~~and~~

14                   ~~(C)(i) For the 2025-2026 school year and each year~~  
15 ~~thereafter, any resident of this state who is eligible to enroll in a public~~  
16 ~~elementary or secondary school shall be eligible.~~

17                   ~~(ii) Beginning with the 2025-2026 school year, there~~  
18 ~~shall be no limitation on student participation in the Arkansas Children's~~  
19 ~~Educational Freedom Account Program.~~

20           (b) ~~In any year in which funds are insufficient to fund all~~  
21 ~~applications for new accounts, first priority shall be given to students who~~  
22 ~~are eligible under subdivision (a)(3)(A) of this section, followed by~~  
23 ~~students eligible under subdivision (a)(3)(B) of this section~~ Beginning with  
24 the 2025-2026 school year and each year thereafter, for any year in which  
25 funds are insufficient to fund all applications for new accounts under this  
26 subchapter, priority shall be given according to the following schedule by  
27 category first and then by submission time of a completed student  
28 application:

29                   (1) A student who participated in the Arkansas Children's  
30 Educational Freedom Account Program during the previous school year;

31                   (2) A student who participated in the Succeed Scholarship  
32 Program during the 2022-2023 school year;

33                   (3) A student with a disability identified under the Individuals  
34 with Disabilities Education Act, 20 U.S.C. § 1400 et seq., as it existed on  
35 January 1, 2025;

36                   (4) A student who is considered homeless under the McKinney-

Vento Homeless Assistance Act, 42 U.S.C. § 11431 et seq., as it existed on January 1, 2025;

(5) A foster child;

(6) A student who was enrolled in the previous school year in a public school that has a rating of "D" or "F" under §§ 6-15-2105 and 6-15-2106 and State Board of Education rules;

(7) A student whose parent is active-duty military, veterans identified under Title 38 of the United States Code, or current or former members of the Arkansas National Guard;

(8) A student who is or has a parent who is a law enforcement officer;

(9) A student who is or has a parent who is a first responder;

(10) A student who is enrolling in kindergarten or first grade for the first time; and

(11) Any other student for whom none of the categories under subdivisions (b)(1)-(10) of this section is applicable.

~~(c) In any year in which funds are insufficient to fund all continuing accounts, priority shall be given to students who have been in the Arkansas Children's Educational Freedom Account Program the longest after priority has been given to students identified under subsection (b) of this section.~~

~~(d)~~ The State Board of Education state board shall promulgate rules:

(1) For the implementation of the Arkansas Children's Educational Freedom Account Program; and

(2) To effectively and efficiently administer the Arkansas Children's Educational Freedom Account Program, including without limitation:

(A) The awarding of funds to participating students;

(B) The oversight of the Arkansas Children's Educational Freedom Account Program; and

(C) Any other necessary aspects for the operation of the Arkansas Children's Educational Freedom Account Program.

~~(e)(1)(d)(1)~~ (d)(2) Except as provided under subdivision ~~(e)(2)~~ (d)(2) of this section, a participating student may only participate in and receive funds from one (1) of the following:

(A) The Arkansas Children's Educational Freedom Account Program established by this subchapter; or

(B) The Philanthropic Investment in Arkansas Kids Program

1 Act, § 6-18-2301 et seq.

2 (2)(A) A student with a disability as described by subdivision  
3 ~~(a)(3)(A)(i)(a)~~ (b)(3) of this section who has an annual family income that  
4 is less than or equal to two hundred percent (200%) of the federal poverty  
5 guidelines as determined annually in the Federal Register by the United  
6 States Department of Health and Human Services under 42 U.S.C. § 9902(2), as  
7 required under the Philanthropic Investment in Arkansas Kids Program may  
8 receive funds from both the Arkansas Children's Educational Freedom Account  
9 Program established by this subchapter and the Philanthropic Investment in  
10 Arkansas Kids Program.

11 (B) However, a student who qualifies under subdivision  
12 ~~(e)(2)(A)~~ (d)(2)(A) of this section may receive funds from both the Arkansas  
13 Children's Educational Freedom Account Program established by this subchapter  
14 and the Philanthropic Investment in Arkansas Kids Program only to the extent  
15 necessary to cover qualifying expenses.

16 ~~(f)(e)~~ The student's parent shall submit an application for an account  
17 to the Department of Education in accordance with Arkansas Children's  
18 Educational Freedom Account Program timelines established by the ~~department~~  
19 Department of Education.

20 ~~(g)(1)(f)(1)~~ The ~~department~~ Department of Education shall create a  
21 standard form that a parent may submit to establish his or her child's  
22 eligibility for the ~~program~~ Arkansas Children's Educational Freedom Account  
23 Program.

24 (2) The ~~department~~ Department of Education shall ensure that the  
25 standard form required under subdivision ~~(g)(1)~~ (f)(1) of this section is  
26 publicly available and may be submitted through various sources, including  
27 without limitation the internet.

28 ~~(h)(1)(g)(1)~~ As part of the application, a parent shall sign an  
29 agreement promising each of the following without limitation:

30 (A)(i) Not to enroll his or her child full-time in a  
31 public school while his or her child is participating in the Arkansas  
32 Children's Educational Freedom Account Program.

33 (ii) However, a participating student may take  
34 approved courses at a public school participating as an approved provider;

35 (B) To use account funds only for qualifying expenses of  
36 the participating student;

1 (C) To comply with all Arkansas Children's Educational  
2 Freedom Account Program requirements as established by the ~~department~~  
3 Department of Education according to state board rules; and

4 (D) Beginning with the 2024-2025 school year, in the case  
5 of any account used for qualifying educational expenses not associated with  
6 full-time enrollment in a participating school or a participating service  
7 provider, to agree to provide an education for his or her participating  
8 student in at least the subjects of English language arts, mathematics,  
9 social studies, and science.

10 (2) The signed agreement required under subdivision ~~(h)(1)~~  
11 (g)(1) of this section shall satisfy the compulsory school attendance  
12 requirements of § 6-18-201.

13 ~~(i)(h)~~ The ~~division~~ Division of Elementary and Secondary Education  
14 shall:

15 (1) Continue making deposits into a participating student's  
16 account until:

17 (A) The division determines that the participating student  
18 is no longer an eligible student;

19 (B) The division determines that there was ~~substantial~~  
20 evidence of misuse of account funds, as defined by the state board;

21 (C) A parent or a participating student withdraws from the  
22 Arkansas Children's Educational Freedom Account Program;

23 (D) A participating student enrolls full-time in a public  
24 school;

25 (E) A participating student graduates from high school; ~~or~~

26 (F) A participating student completes the school year in  
27 the year in which he or she turns twenty-one (21) years of age; or

28 (G) The division determines a parent or participating  
29 student has committed fraudulent conduct;

30 (2) Provide parents with a written explanation of the:

31 (A) Allowable uses of funds;

32 (B) Responsibilities of parents; and

33 (C) Duties of the division and the role of any private  
34 financial management firms or other private organizations that the ~~department~~  
35 Department of Education may contract with to administer the Arkansas  
36 Children's Educational Freedom Account Program or any aspect of the Arkansas

1 Children's Educational Freedom Account Program; and

2 (3) Annually fund a participating student's account as funds are  
3 available and in accordance with this law and state board rules.

4 ~~(j)-(1)~~(i)(1) Upon notice to the division, a participating student may  
5 choose to stop receiving funds disbursed under this subchapter and enroll  
6 full-time in a public school.

7 (2)(A) Enrolling as a full-time student in a public school shall  
8 result in the immediate suspension of payment of additional funds into the  
9 participating student's account.

10 (B)(i) ~~However, for accounts that have been open for at~~  
11 ~~least one (1) full academic year, the account shall remain open and active~~  
12 ~~for the parent of a former participating student to make qualifying~~  
13 ~~expenditures to educate the student from funds remaining in the account.~~

14 ~~(ii) When no funds remain in the former~~  
15 ~~participating student's account, the division may close the account~~ The  
16 division shall close the participating student's account after the payment of  
17 all liabilities incurred before the participating student enrolls full-time  
18 in a public school.

19 (3)(A) ~~If a former participating student decides to return to~~  
20 ~~the Arkansas Children's Educational Freedom Account Program and is a current~~  
21 ~~eligible student, payments into the former participating student's existing~~  
22 ~~account may resume if the account is still open and active.~~

23 ~~(B)~~ A new account may be established if ~~the~~ a former  
24 participating student's previous account was closed for any reason other than  
25 misuse of account funds or fraudulent conduct.

26 ~~(k)-(j)~~ The state board and the ~~department~~ Department of Education may  
27 adopt rules to provide the least disruptive process for a participating  
28 student who desires to stop receiving funds disbursed under this subchapter  
29 and enroll full-time in a public school.

30  
31 SECTION 6. Arkansas Code § 6-18-2507(a)(1)(B) and (C), concerning  
32 private school eligibility requirements under the Arkansas Children's  
33 Educational Freedom Account Program, are amended to read as follows:

34 (B) A private school shall no longer be eligible if:

35 (i) The private school has not received  
36 accreditation within four (4) years of becoming eligible;

1 (ii) The ~~state board~~ Division of Elementary and  
2 Secondary Education determines, based on information provided by the  
3 accrediting association, that the private school is ineligible or unable to  
4 continue the accreditation process; or

5 (iii) It becomes impossible for the private school to  
6 obtain accreditation within four (4) years.

7 (C) A private school that becomes ineligible under this  
8 section shall regain eligibility when the private school receives  
9 accreditation and ~~is approved by the state board~~ meets all other requirements  
10 established by law and rule as determined by the division;  
11

12 SECTION 7. Arkansas Code § 6-18-2507(e) and (f), concerning Division  
13 of Elementary and Secondary Education duties regarding eligibility for  
14 participating schools and participating service providers under the Arkansas  
15 Children's Educational Freedom Account Program, are amended to read as  
16 follows:

17 (e) The department may bar a service provider from accepting payments  
18 from accounts and restrict the service provider's ability to serve additional  
19 participating students if the department determines that the participating  
20 service provider has:

21 (1) Failed to maintain continuing eligibility criteria  
22 established by the state board;

23 (2) Demonstrated a gross or persistent lack of academic  
24 competence or failure to provide services, as defined by the state board;

25 (3) Intentionally or substantially misrepresented information or  
26 failed to refund any overpayments in a timely manner, as defined by the state  
27 board; ~~or~~

28 (4) Routinely failed to provide participating students with  
29 promised educational goods or services, as defined by the state board; or

30 (5) Committed fraudulent conduct.

31 (f)(1) The department shall create procedures to ensure that a fair  
32 process exists to determine whether a participating service provider may be  
33 barred from receiving payments from accounts under subsection (e) of this  
34 section.

35 (2) If the department bars a participating service provider from  
36 receiving payments from accounts under this section, it shall notify parents

1 and participating students of its decision within three (3) business days of  
2 its decision on the department's website and through attempted individual  
3 communications.

4 (3) A participating service provider may appeal the department's  
5 decision to bar it from receiving payments from accounts to the state board.  
6

7 SECTION 8. DO NOT CODIFY. Severability clause. If any provision of  
8 this act or the application of this act to any person or circumstance is held  
9 invalid, the invalidity shall not affect other provisions or applications of  
10 this act which can be given effect without the invalid provision or  
11 application, and to this end, the provisions of this act are declared  
12 severable.  
13

14 SECTION 9. EMERGENCY CLAUSE. It is found and determined by the  
15 General Assembly of the State of Arkansas that the timely implementation of  
16 the proposed changes to the Arkansas Children's Educational Freedom Account  
17 Program is integral to the provision of educational services in the State of  
18 Arkansas. Therefore, an emergency is declared to exist, and this act being  
19 immediately necessary for the preservation of the public peace, health, and  
20 safety shall become effective on:

21 (1) The date of its approval by the Governor;

22 (2) If the bill is neither approved nor vetoed by the Governor,  
23 the expiration of the period of time during which the Governor may veto the  
24 bill; or

25 (3) If the bill is vetoed by the Governor and the veto is  
26 overridden, the date the last house overrides the veto.  
27

28 /s/B. Davis  
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