

State of Arkansas  
90th General Assembly  
Regular Session, 2015

# A Bill

SENATE BILL 789

By: Senator J. Hendren

## For An Act To Be Entitled

AN ACT TO ESTABLISH THE OPEN-ENROLLMENT PUBLIC  
CHARTER SCHOOL FACILITIES FUNDING AID PROGRAM; AND  
FOR OTHER PURPOSES.

### Subtitle

TO ESTABLISH THE OPEN-ENROLLMENT PUBLIC  
CHARTER SCHOOL FACILITIES FUNDING AID  
PROGRAM.

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

SECTION 1. Arkansas Code Title 6, Chapter 23, Subchapter 9, is amended to add an additional section to read as follows:

6-23-908. Open-enrollment Public Charter School Facilities Funding Aid Program.

(a) There is created the Open-Enrollment Public Charter School Facilities Funding Aid Program.

(b)(1) An open-enrollment public charter school that meets the criteria under subsection (c) of this section is eligible to receive funding from the program on a pro rata distribution of available funding per student, based upon the open-enrollment public charter school's previous year three-quarter average daily membership.

(2) For an open-enrollment public charter school in its first year of operation or for an open-enrollment public charter school that adds a new grade, the funding from the program shall be determined using the method under § 6-23-501(a)(2)(A).

(c) In addition to the open-enrollment public charter school's



successful completion of the charter application review and approval process, the open-enrollment public charter school shall meet all of the following criteria in order to receive funding under the program:

(1) Virtual technology is not the primary method of delivering instruction;

(2) The facility meets all applicable health, fire, and safety codes and all accessibility requirements under the Americans with Disabilities Act, 42 U.S.C. § 12101 et seq., and the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq., as reviewed by the Division of Public School Academic Facilities and Transportation or another appropriate state agency; and

(3) The open-enrollment public charter school is not:

(A) Classified as in academic distress under § 6-15-428 or fiscal distress under § 6-20-1901 et seq., and the corresponding rules adopted by the State Board of Education;

(B) Classified as a priority school under the Arkansas Comprehensive Testing, Assessment, and Accountability Program, § 6-15-401 et seq., nor received a rating of "F" under § 6-15-2105; or

(C) Placed in probationary status by the state charter school authorizer under § 6-23-105.

(d) The funds received by an open-enrollment public charter school under this section shall be used only for the lease, purchase, renovation, repair, construction, installation, restoration, alteration, modification, or operation and maintenance of an approved facility that meets the requirements of subsection (c) of this section.

(e)(1) If an open-enrollment public charter school fails to use funds received under this section as provided under subsection (d) of this section or no longer has the need for the funds, the division shall certify and recoup the funds from the operating funds designated to the open-enrollment public charter school through the Department of Education and remitted directly by the department.

(2) The operating funds from which the division may recoup funds from an open-enrollment public charter school are limited to:

(A) State funding distributed under § 6-20-2305, including without limitation state foundation funding and state categorical funding;

(B) Federal funding to the extent allowed under federal

law; and

(C) The net assets of an open-enrollment public charter school deemed property of the state upon revocation or nonrenewal of the charter after all legal debts owed to third parties are satisfied.

(3) The state shall hold a preferred security interest in the funds received under this section as provided under subsection (d) of this section or the amount of funds no longer needed.

(f) This section does not entitle or subject an open-enrollment public charter school to the Arkansas Public School Academic Facilities Funding Act, § 6-20-2501 et seq., or the Arkansas Public School Academic Facilities Program Act, § 6-21-801 et seq.

(g) The Commission for Arkansas Public School Academic Facilities and Transportation may promulgate rules to implement this section.

**APPROVED: 03/27/2015**