

State of Arkansas
92nd General Assembly
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A Bill

HOUSE BILL 1730

By: Representatives G. Hodges, A. Davis, Dotson, Evans, Gates, Lowery, Rushing, Sorvillo, Sullivan
By: Senators M. Johnson, J. English

For An Act To Be Entitled

AN ACT CONCERNING A PUBLIC CHARTER SCHOOL'S CHARTER;
TO ALLOW AN AUTHORIZER TO TRANSFER AND ASSIGN A
PUBLIC CHARTER SCHOOL'S CHARTER UNDER THE ARKANSAS
QUALITY CHARTER SCHOOLS ACT OF 2013; AND FOR OTHER
PURPOSES.

Subtitle

TO ALLOW AN AUTHORIZER TO TRANSFER AND
ASSIGN A PUBLIC CHARTER SCHOOL'S CHARTER
UNDER THE ARKANSAS QUALITY CHARTER
SCHOOLS ACT OF 2013.

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

SECTION 1. Arkansas Code § 6-23-105(a), concerning the authority of an authorizer to modify, revoke, or deny renewal of a public charter school's charter under the Arkansas Quality Charter Schools Act of 2013, is amended to read as follows:

(a)(1) The authorizer may place a public charter school on probation or may modify, revoke, transfer, assign, or deny renewal of its charter if the authorizer determines that the persons operating the public charter school:

~~(1)~~(A) Committed a material violation of the charter, including failure to satisfy accountability provisions prescribed by the charter;

~~(2)~~(B) Failed to satisfy generally accepted accounting standards of fiscal management;



~~(3)(C)~~ Failed to comply with this chapter or other applicable law or regulation; or

~~(4)(D)~~ Failed to meet academic or fiscal performance criteria deemed appropriate and relevant for the public charter school by the authorizer.

(2) The charter authorizer may allow the voluntary assignment of a public charter school upon petition by the public charter school to the charter authorizer.

(3)(A) If the authorizer transfers or assigns the charter of a public charter school to an eligible entity under subdivision (a)(1) of this section, the authorizer shall not hold the applicant responsible for any activity that occurred before the transfer or assignment, which includes without limitation any disciplinary action taken by the authorizer.

(B) After the authorizer transfers or assigns a charter to an eligible entity under subdivision (a)(1) of this section, the authorizer shall:

(i) Issue a new local education agency number as required under § 25-6-107; and

(ii) Not issue an annual report as required under § 6-15-2101 until the eligible entity to which the charter was transferred has completed at least one (1) school year.

SECTION 2. Arkansas Code § 6-23-105(c), concerning the procedures adopted by an authorizer regarding the modification, revocation, or denial of renewal of a public charter school's charter under the Arkansas Quality Charter Schools Act of 2013, is amended to read as follows:

(c) The authorizer shall adopt a procedure to be used for placing a public charter school on probation or modifying, revoking, transferring, assigning, or denying renewal of the school's charter.

SECTION 3. Arkansas Code § 6-23-105(e)(1), concerning the actions a public charter school shall take regarding its funds and accounts payable upon the revocation of its charter under the Arkansas Quality Charter Schools Act of 2013, is amended to read as follows:

(e)(1)(A) Immediately upon the revocation, transfer, or assignment of a charter by the authorizer, the public charter school shall:

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

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

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

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

SECTION 4. Arkansas Code § 6-23-701(a), concerning actions that the Department of Education may take with respect to proposed or established public charters, is amended to read as follows:

(a) The Department of Education is the designated public charter authorizer with jurisdiction and authority over all public charters issued in this state to take the following action on a proposed or established public charter:

- (1) Approve;
- (2) Reject;
- (3) Renew;
- (4) ~~Non-renew~~ Nonrenew;
- (5) Place on probation;
- (6) Modify;
- (7) Revoke; ~~or~~
- (8) Deny; ~~or~~
- (9) Transfer; or
- (10) Assign.

APPROVED: 4/5/19