

State of Arkansas
93rd General Assembly
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As Engrossed: S3/18/21

A Bill

SENATE BILL 251

By: Senator J. English
By: Representative Lowery

For An Act To Be Entitled

AN ACT TO AMEND PROVISIONS OF THE ARKANSAS CODE CONCERNING SCHOOL DISTRICT WAIVERS; TO AMEND PROVISIONS OF THE ARKANSAS CODE CONCERNING PUBLIC CHARTER SCHOOL CHARTERS, ENROLLMENT, AUTHORIZATION, AND FACILITY FUNDING; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND PROVISIONS OF THE ARKANSAS CODE CONCERNING SCHOOL DISTRICT WAIVERS; AND TO AMEND PROVISIONS OF THE ARKANSAS CODE CONCERNING PUBLIC CHARTER SCHOOL CHARTERS, ENROLLMENT, AUTHORIZATION, AND FACILITY FUNDING.

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

SECTION 1. Arkansas Code § 6-15-103(b), concerning school district waivers, is amended to read as follows:

(b) The petition for all or some of the waivers granted to an open-enrollment public charter school that is submitted by a public school district shall include without limitation:

(1) The name of the open-enrollment public charter school that has the requested waiver; and

~~(2) A copy of the waivers granted to the open-enrollment public charter school; and~~

~~(3)~~(2) A list of the waivers that the public school district



seeks to have granted.

SECTION 2. Arkansas Code § 6-15-103(c)(1), concerning school district waivers, is amended to read as follows:

(c)(1)(A) The state board shall ~~grant, in whole or in part, or deny, in whole or in part, grant or deny, in whole or in part,~~ a petition for a waiver submitted by a public school district within ninety (90) days of receiving the petition.

(B)(i) The Division of Elementary and Secondary Education may request additional information if necessary.

(ii) If the division determines that additional information is necessary, the state board shall grant or deny, in whole or in part, the petition for a waiver within ninety (90) days of receiving the requested additional information.

SECTION 3. Arkansas Code § 6-15-103(d), concerning school district waivers, is amended to read as follows:

(d) ~~The Division of Elementary and Secondary Education~~ division may promulgate rules to implement this section.

SECTION 4. Arkansas Code § 6-15-2302(a), concerning the definition of "general business manager", is amended to read as follows:

(a) As used in this section, "general business manager" means a chief financial officer or business manager, however the position is titled, who:

(1) Is an employee of the public school district or is contracted to perform financial services;

(2) Is responsible for the fiscal operations of the public school district; and

~~(2)(3)~~ (3) Performs ~~his or her~~ duties under the direction of the superintendent ~~of schools~~ of the public school district.

SECTION 5. Arkansas Code § 6-17-2202(1), concerning the definition of "classified employee", is amended to read as follows:

(1)(A) "Classified employee" means any employee of a public school district in Arkansas who performs work for the school district and who is not required to hold a valid teaching license issued by the State Board of

Education as a condition of employment.

(B) "Classified employee" does not include a nonlicensed teacher; and

SECTION 6. Arkansas Code § 6-20-1913(a), concerning the definition of "general business manager", is amended to read as follows:

(a) As used in this subchapter, "general business manager" means a chief financial officer or business manager, however the position is titled, who:

(1) Is an employee of a public school district or has contracted to perform financial services;

(2) Is responsible for the fiscal operations of a public school district; and

~~(2)~~(3) Performs duties under the direction of a superintendent of a public school district.

SECTION 7. Arkansas Code § 6-23-104, concerning requirements for and revisions to charter forms for public charter schools, is amended to add an additional subsection to read as follows:

(c) An open-enrollment public charter school shall post the most recent version of the written contract on the website of the open-enrollment public charter school by August 1 each year.

SECTION 8. Arkansas Code § 6-23-105(a), concerning the basis and procedure for public charter school probation or charter modification, revocation, or denial of renewal, 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:

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

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

(C) Failed to comply with this chapter or other applicable

law or rule; or

(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 9. Arkansas Code § 6-23-105(c), concerning the basis and procedure for public charter school probation or charter modification, revocation, or denial of renewal, 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 public charter school's charter.

SECTION 10. Arkansas Code § 6-23-105(e), concerning the basis and procedure for public charter school probation or charter modification, revocation, or denial of renewal, is amended to read as follows:

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

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

~~(ii)~~(i) Provide to the division a detailed accounting of all accounts payable due from the state funds held by the open-enrollment public charter school and any additional information or records requested by the division concerning the disbursement of the state funds;

(ii) Provide the division with a comprehensive list of all banking information and accounts in which the open-enrollment public charter school holds state or federal funds;

(iii) Receive prior approval from the division for an expenditure over five hundred dollars (\$500); and

(iv) Work in coordination with the division to draft a charter closure plan.

~~(B)(i) The division shall hold funds received under subdivision (c)(1)(A) of this section in a separate fund and shall expend the funds only with prior approval of the Commissioner of Elementary and Secondary Education~~ Immediately upon the state board's affirmation of a revocation, assignment, or transfer, the open-enrollment public charter school shall transfer all state and federal funds held by the open-enrollment public charter school to the division.

(ii) The division shall hold funds received under subdivision (e)(1)(B)(i) of this section in receivership in a separate fund and shall expend the funds only with prior approval of the Commissioner of Elementary and Secondary Education.

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

(2)(A) The division shall establish a procedure for a claimant to file a claim for disbursement from the state funds.

(B) The determination of the division concerning the disbursement of the state funds is final and may not be appealed.

(3) If funds remain in receivership for which no legitimate, documented claim has been made to the division within one (1) calendar year after the revocation, transfer, or assignment the remaining funds shall be transferred to the ~~Public School Fund~~;

(A) Entity that received the public charter school under a transfer or assignment if the public charter school was transferred or assigned; or

(B) Public School Fund in all other instances.

(4) The state board may promulgate rules to implement this subsection.

SECTION 11. Arkansas Code § 6-23-402(b), concerning enrollment numbers of and the deadline for enrollment in open-enrollment public charter schools, is amended to add an additional subdivision to read as follows:

(3) An open-enrollment public charter school shall have a policy concerning whether the open-enrollment public charter school will enroll students after July 30.

SECTION 12. Arkansas Code § 6-23-703(a) and (b), concerning State Board of Education optional review, are amended to read as follows:

(a) On a motion approved by a majority vote, the State Board of Education may exercise a right of review of a charter determination made by the ~~Division of Elementary and Secondary Education~~ charter authorizer at the next regularly scheduled state board meeting after receiving notice provided under § 6-23-702(b).

(b) If the state board votes to review a final decision made by the ~~division~~ charter authorizer, the state board shall:

(1) State the specific additional information the state board requires from the ~~division~~ Division of Elementary and Secondary Education, public charter school, public charter school applicant, or affected school district;

(2) Conduct a full hearing regarding a final decision by the division under § 6-23-701(a); and

(3) Hold the hearing at the earlier of:

(A) The next regularly scheduled state board meeting following the state board meeting during which the state board voted to authorize a review; or

(B) A special board meeting called by the state board.

SECTION 13. Arkansas Code § 6-23-908(g), concerning the Open-Enrollment Public Charter School Facilities Funding Aid Program, is amended to read as follows:

(g) The ~~Commission for Arkansas Public School Academic Facilities and~~

~~Transportation~~ Division of Elementary and Secondary Education may promulgate rules to implement this section.

/s/J. English

APPROVED: 4/20/21