

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
91st General Assembly  
Regular Session, 2017

# A Bill

SENATE BILL 437

By: Senator J. Hutchinson

## For An Act To Be Entitled

AN ACT TO REQUIRE LEGISLATIVE REVIEW OF  
EXTRACURRICULAR ACTIVITY ORGANIZATIONS THAT RECEIVE  
FUNDS FROM A PUBLIC SCHOOL DISTRICT AS A CONDITION OF  
RECEIVING THOSE FUNDS; AND FOR OTHER PURPOSES.

### Subtitle

TO REQUIRE LEGISLATIVE REVIEW OF  
EXTRACURRICULAR ACTIVITY ORGANIZATIONS  
THAT RECEIVE FUNDS FROM A PUBLIC SCHOOL  
DISTRICT AS A CONDITION OF RECEIVING  
THOSE FUNDS.

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

SECTION 1. Arkansas Code Title 6, Chapter 20, Subchapter 1, is amended to add an additional section to read as follows:

6-20-108. Legislative Findings – Extracurricular activity organizations subject to legislative review.

(a) The General Assembly finds that:

(1) The rules, regulations, and policies of extracurricular activity organizations domiciled in the State of Arkansas that receive funds from a public school district or funds derived from activities involving a public school district impact the academic performance and general health and well-being of public school students in this state; and

(2) It is the duty of the General Assembly to ensure that:

(A) The rules, regulations, and policies of these organizations are beneficial to the public school students in this state and



the public school districts in which they are enrolled; and

(B) The use of public funds by these organizations is transparent and in the best interest of the public school students in this state and the public school districts in which they are enrolled.

(b) As a condition of the receipt of any funds from a public school district, an extracurricular activity organization domiciled in the State of Arkansas shall be subject to:

(1) An annual audit conducted by Arkansas Legislative Audit of the expenditures and use of any funds the extracurricular activity association receives from a public school district; and

(2) Approval by the Legislative Council of any rules, regulations, or policies or amendments to rules, regulations, or policies of the extracurricular activity organization that affect public school students in this state and the public school districts in which they are enrolled.

(c) A public school district shall not disburse to an extracurricular activity organization domiciled in the State of Arkansas any funds from the public school district unless the extracurricular activity organization complies with subsection (b) of this section.

(d) Arkansas Legislative Audit shall annually audit the expenditures and use of any funds the extracurricular activity association receives from a public school district.