

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

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

SENATE BILL 471

By: Senator C. Tucker
By: Representative Hudson

For An Act To Be Entitled

AN ACT TO AMEND ACTS 2023, NO. 237, KNOWN AS THE "LEARNS" ACT; TO AMEND THE ARKANSAS CHILDREN'S EDUCATIONAL FREEDOM ACCOUNT PROGRAM TO ALLOW A PARENT OF A PARTICIPATING STUDENT TO ELECT TO DIRECT ACCOUNT FUNDS TO THE RESIDENT PUBLIC SCHOOL TO WHICH THE PARTICIPATING STUDENT IS ASSIGNED; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE ARKANSAS CHILDREN'S EDUCATIONAL FREEDOM ACCOUNT PROGRAM TO ALLOW A PARENT OF A PARTICIPATING STUDENT TO ELECT TO DIRECT ACCOUNT FUNDS TO THE RESIDENT PUBLIC SCHOOL TO WHICH THE PARTICIPATING STUDENT IS ASSIGNED

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

SECTION 1. Arkansas Code § 6-18-2505(b)(1), as created by Acts 2023, No. 237, and concerning the payment installments made by the Department of Education to a participating school or participating service provider in which a participating student is enrolled, is amended to read as follows:

(b)(1) ~~For~~ Except as provided under subsection (j) of this section, for the 2023-2024 school year, on behalf of participating students enrolled in participating schools or with participating service providers and at the direction of a participating student's parent, the Department of Education



shall make four (4) equal payments in quarterly installments from the participating student’s account to the participating school or participating service provider in which the participating student is enrolled for tuition, fees, and costs associated with testing and uniforms.

SECTION 2. Arkansas Code § 6-18-2505(d), as created by Acts 2023, No. 237, and concerning prohibitions on the use of account funds under the Arkansas Children’s Educational Freedom Account Program, is amended to read as follows:

(d) ~~Account~~ Except as otherwise provided under subsection (j) of this section, 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.

SECTION 3. Arkansas Code § 6-18-2505(j), as created by Acts 2023, No. 237, and concerning the promulgation of rules by the State Board of Education under the Arkansas Children’s Educational Freedom Account Program,, is amended to add an additional subsection to read as follows:

(j)(1)(A) A parent of a participating student may annually elect to direct the account funds his or her child is eligible to receive under this section to the resident public school to which his or her child is assigned.

(B)(i) For the 2023-2024 school year, upon the direction of a participating student’s parent under subdivision (j)(1)(A) of this section, the department shall make four (4) equal payments of the amount determined under subdivision (a)(1) of this section in quarterly installments from the participating student’s account to the resident public school to which the participating student is assigned.

(ii) The department may:

(a) Contract with a vendor or provider, including without limitation a private institution, to disburse the payments under this subdivision (j)(1)(B);

(b) Work with public schools and public school districts to develop a process to disburse the payments under this subdivision (j)(1)(B); and

(c) Withhold up to five percent (5%) of funds allocated for each account annually for the administration of the program.

(C)(i) Beginning with the 2024-2025 school year and each year thereafter, the department shall develop a system for a parent who elects to redirect the account funds of his or her child who is a participating student under subdivision (j)(1)(A) of this section to direct the account funds to the resident public school to which his or her child is assigned by electronic funds transfer, automated clearing house transfer, debit card, or another system.

(ii) The department may:

(a) If feasible, utilize the same system required to be developed under subdivision (e)(1) of this section for purposes of directing account funds;

(b) Contract with a vendor or provider, including without limitation a private institution, to manage the payment system used for purposes of implementing this subdivision (j)(1)(C);

(c) Work with public schools and public school districts to develop the system required under this subdivision (j)(1)(C); and

(d) Withhold up to five percent (5%) of funds allocated for each account annually for the administration of the program.

(k) The state board may promulgate rules to implement this subchapter.