

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

State of Arkansas  
95th General Assembly  
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As Engrossed: H3/31/25 H4/7/25

## A Bill

HOUSE BILL 1672

By: Representative McCollum

By: Senator J. Boyd

### For An Act To Be Entitled

AN ACT TO REPEAL THE LAWS CONCERNING THE DISTRICT OF INNOVATION PROGRAM; TO AMEND PROVISIONS OF THE ARKANSAS CODE TO CREATE A MORE EFFICIENT SYSTEM FOR PUBLIC SCHOOLS OF INNOVATION IN ARKANSAS; TO AMEND THE ARKANSAS QUALITY CHARTER SCHOOLS ACT OF 2013; AND FOR OTHER PURPOSES.

### Subtitle

TO AMEND PROVISIONS OF THE ARKANSAS CODE TO CREATE A MORE EFFICIENT SYSTEM FOR PUBLIC SCHOOLS OF INNOVATION IN ARKANSAS.

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

SECTION 1. Arkansas Code § 6-15-1004(c)(5), concerning licensure exemptions that allow a teacher to teach a grade level or subject for which he or she is not fully or provisionally licensed under the Arkansas Public Education Act of 1997, is amended to read as follows:

(5) A licensure exception under:

~~(A) A District of Innovation Program, § 6-15-2801 et seq.;~~

~~(B)~~(A) The Arkansas Quality Charter Schools Act of 2013, § 6-23-101 et seq.; or

~~(C)~~(B) Section 6-15-103;

SECTION 2. Arkansas Code Title 6, Chapter 15, Subchapter 28, is repealed.



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~~6-15-2801. Definitions.~~~~As used in this subchapter:~~

~~(1) "District of innovation" means a public school district with one (1) or more schools of innovation that has:~~

~~(A) Submitted a school of innovation application in compliance with § 6-15-2803;~~

~~(B) Obtained necessary exceptions from laws, rules, and local policies to improve the educational performance of students from the Commissioner of Elementary and Secondary Education; and~~

~~(C) Been approved as a district of innovation by the commissioner;~~

~~(2) "Eligible employees" means the employees who are employed at a school that is considering being designated as a school of innovation;~~

~~(3) "Innovation" means a new or creative alternative to the existing instructional and administrative practices that is intended to improve academic performance and learning for all students;~~

~~(4)(A)(i) "School council of innovation" means a body of individuals from a current or aspiring school of innovation composed of teachers, classified employees, the building-level principal or his or her administrative designee, parents, community members, a minimum of two (2) students from the school of innovation, and other interested parties selected by the school council of innovation to participate.~~

~~(ii) The teacher representatives shall be elected by a majority vote of the school's licensed eligible employees.~~

~~(iii) The classified representatives shall be elected by a majority vote of the school's classified eligible employees.~~

~~(iv)(a) The parent representatives shall be selected by a majority vote of the attendees at a meeting called for the purpose of selecting the school's parent representatives and shall have a child in the school to be eligible to serve on the school council of innovation.~~

~~(b) Schools with a ten percent (10%) or greater minority student population shall have minority representation on the school council of innovation.~~

~~(B) The school council of innovation shall:~~

~~(i) Generate innovative ideas and proposals of its~~

~~own;~~

~~(ii) Determine a method for requesting innovative ideas and proposals from school employees, community members, and other stakeholders to be submitted to the school council of innovation;~~

~~(iii) Receive innovative ideas and proposals from school employees, community members, and other stakeholders;~~

~~(iv) Consider all innovative ideas and proposals submitted by community members and other stakeholders; and~~

~~(v) Determine the content and format of the plan that will be voted on by the eligible employees.~~

~~(C) The school council of innovation may create subcommittees, which may include noneouncil members, to work on developing portions of the plan; and~~

~~(5)(A) "School of innovation" means a school that participates in a district of innovation to transform and improve teaching and learning.~~

~~(B) A school of innovation's plan is subject to the exceptions approved by the commissioner for the school of innovation.~~

~~6-15-2802. School of innovation designation—Rules.~~

~~(a)(1) The Commissioner of Elementary and Secondary Education may approve a public school's application to become a school of innovation for the purpose of transforming and improving the teaching and learning under § 6-15-2803.~~

~~(2) The Division of Elementary and Secondary Education may designate a public school as a school of innovation under subdivision (a)(1) of this section if the public school has met the objectives outlined in the public school's application to become a school of innovation within the time period established in the public school's application.~~

~~(b)(1) A school of innovation shall be approved for a period of four (4) years and may be renewed for four-year periods thereafter.~~

~~(2) The commissioner may revoke a public school's school of innovation designation if the public school fails to substantially fulfill the school of innovation plan as established in the public school's school of innovation application, meet goals and performance targets, or comply with applicable laws or rules.~~

~~(c) The State Board of Education shall adopt rules to administer this~~

~~subchapter, including without limitation rules that address the:~~

- ~~(1) Rules subject to exemption or modification for a school of innovation application if approved by the commissioner;~~
  - ~~(2) Application, school of innovation plan review, approval, and amendment process for a public school district to establish a school of innovation;~~
  - ~~(3) Timeline for initial approval of a school of innovation and subsequent renewal, including any ongoing evaluations of a school of innovation;~~
  - ~~(4) Documentation required to show meaningful parental, educator, and community engagement and capacity for the changes identified in the school of innovation plan;~~
  - ~~(5) Approval by the eligible employees of a school of innovation;~~
  - ~~(6) Evidence of teacher collaboration and shared leadership responsibility within each school seeking to become a school of innovation;~~
  - ~~(7) Documentation of the understanding and implementation of research-based practices of professional learning communities;~~
  - ~~(8) Process for revocation of a designation as a district of innovation or school of innovation;~~
  - ~~(9) Reporting and oversight responsibility of the school of innovation and the division;~~
  - ~~(10) Budget and financial details of the school of innovation;~~
- ~~and~~
- ~~(11) Other information necessary as determined by the state board.~~

~~6-15-2803. School of innovation application.~~

~~(a) A school district shall submit its school of innovation application, approved by the school district board of directors, to the Commissioner of Elementary and Secondary Education for approval to become a school of innovation.~~

~~(b) A school of innovation application shall address without limitation:~~

- ~~(1) The goals and performance targets for the school of innovation, which may include without limitation:~~

~~(A) Reducing the achievement gap among one (1) or more groups of students by accelerating learning experiences for academically low-achieving students while increasing all student learning through the implementation of highly rigorous standards for student performance;~~

~~(B) Increasing student participation in curriculum options;~~

~~(C) Exploring new avenues for expanding students' college and career readiness;~~

~~(D) Motivating students by exploring innovative teaching and learning choices; and~~

~~(E) Transforming a school's culture and climate in a manner that will lead to transformative teaching and learning;~~

~~(2) Changes needed in the school that will lead to students who are better prepared for success in life and career; and~~

~~(3) Innovative practices to be used in the school of innovation.~~

~~(c) Schools of innovation shall document:~~

~~(1) Parental, school employee, and community engagement;~~

~~(2) The capacity for the proposed school of innovation;~~

~~(3) The rationale for law, rule, and local policy exception requests;~~

~~(4) Progress toward goals and performance targets; and~~

~~(5) Other information requested by the commissioner.~~

~~6-15-2804. School of innovation.~~

~~(a) A school that is designated a school of innovation shall:~~

~~(1) Ensure that the same health, safety, civil rights, and disability rights requirements are in place as those that apply to all other public schools;~~

~~(2) Ensure that the high school curriculum offered meets or exceeds the minimum high school graduation requirements adopted by the State Board of Education;~~

~~(3) Adhere to financial audits, audit procedures, and audit requirements adopted by the state board for public school districts;~~

~~(4) Require criminal background checks for school employees and volunteers as required by law for public school districts;~~

~~(5) Comply with open records and open meeting requirements;~~

~~(6) Comply with purchasing limitations and requirements;~~  
~~(7)(A) Provide instructional time that meets or exceeds the instructional time requirement adopted by the state board unless granted an exception by the Commissioner of Elementary and Secondary Education.~~

~~(B) Instructional time may include on-site instruction, distance or virtual learning, and work-based learning on nontraditional school days or hours;~~

~~(8) Provide data requested by the Division of Elementary and Secondary Education to generate reports;~~

~~(9) [Repealed.]~~

~~(10) Comply with state law and rules regarding the education of gifted and talented students; and~~

~~(11) Demonstrate research-based implementation of professional learning communities throughout the school that address the needs of the students and professionals.~~

~~(b)(1) Before a public school district submits a school of innovation plan to the commissioner, the eligible employees of each proposed school of innovation shall vote on whether the school shall be designated a school of innovation.~~

~~(2) A minimum of sixty percent (60%) of the eligible employees voting in support of the school's designation as a school of innovation is required before the school's innovation plan may be submitted to the school district board of directors for approval.~~

~~(3) The school council of innovation shall be responsible for conducting the vote required under subdivision (b)(1) of this section.~~

~~(c) A school of innovation plan may request exemptions from local policies and specific laws and rules approved for exemption or modification by the state board except The Teacher Fair Dismissal Act of 1983, § 6-17-1501 et seq. [repealed].~~

~~(d) A public school district with a negotiated employment contract in place shall follow the procedure set forth within the contract that allows the implementation of a school of innovation.~~

SECTION 3. Arkansas Code § 6-17-2803(16)(B), concerning the definition of a teacher under the Teacher Excellence and Support System, is amended to read as follows:

(B) "Teacher" also includes a licensed or nonlicensed classroom teacher employed in a position under subdivision (16)(A)(ii) of this section at a:

(i) Public charter school under a waiver of teacher licensure requirements granted by the state board in the charter; or

(ii) School district under a waiver of teacher licensure requirements granted by the state board under § 6-15-103 ~~or under the district of innovation program under § 6-15-2801 et seq.~~

SECTION 4. Arkansas Code § 6-17-2808(a)(2)(A), concerning the implementation and applicability of the Teacher Excellence and Support System, is amended to read as follows:

(2)(A) This subchapter is not waived when a public school, charter school, or school district obtains a waiver granted by the state board from the laws and rules governing educator licensure:

(i) In the charter of a public charter school; or

(ii) Under § 6-15-103; ~~or~~

~~(iii) Under the district of innovation program under § 6-15-2801 et seq.~~

SECTION 5. Arkansas Code § 6-23-103 is amended to read as follows:

6-23-103. Definitions.

As used in this chapter:

(1) "Adult education charter school" means a charter school for individuals at least nineteen (19) years of age that offers a high school diploma program and an industry certification program simultaneously to students;

(2) "Applicant" means an eligible entity that seeks to apply for an open-enrollment public charter school or a conversion public charter school by submitting an approved application with supporting documentation to the authorizer and is eligible to conduct business in the state;

(3) "Application" means the proposal for obtaining conversion public charter school status or open-enrollment public charter school status charter school proposal and supporting documentation submitted to the authorizer that seeks to establish an open-enrollment public charter school or a conversion public charter school;

~~(3)(4)~~ “Authorizer” means ~~an entity that authorizes a charter, which may be either the~~

~~(A) Division of Elementary and Secondary Education acting through the charter authorizing panel established under § 6-23-701, with final approval of all decisions by the State Board of Education; or~~

~~(B) State Board of Education acting under § 6-23-703;~~

~~(4)(5)~~ “Charter” means a performance-based contract ~~for an initial five-year period between the authorizer and an approved applicant for public charter school status that exempts the public charter school from state and local rules, regulations, policies, and procedures specified in the contract and from the provisions of this title specified in the contract that:~~

~~(A) Serves as a governing agreement that exempts a public charter school from specified state and local rules, regulations, policies, and procedures as outlined in the charter;~~

~~(B) Defines the performance expectations and accountability standards for the approved public charter school;~~

~~(C) Is governed by Arkansas law; and~~

~~(D) Establishes the terms and conditions between the authorizer and:~~

~~(i) An open-enrollment public charter school board;~~

~~or~~

~~(ii) The local school district board of directors of a conversion public charter school;~~

~~(6) "Charter authorizing panel" means the seven (7) member panel appointed by the Commissioner of Elementary and Secondary Education that is established and administered by the division to take actions authorized under § 6-23-701;~~

~~(7) "Charter school board" means the governing body of an open-enrollment public charter school that:~~

~~(A) Is a non-profit entity; and~~

~~(B) Satisfies the relevant requirements of a tax-exempt organization under § 501(c)(3) of the Internal Revenue Code of 1986;~~

~~(5)(8)(A) “Conversion public charter school” means a public school that:~~

~~(i) That has converted to operating under the terms~~

of a charter approved by ~~the~~ a local school district board of directors and the authorizer; or

(ii)(a) Previously designated as a school of innovation under the former District of Innovation Program, §§ 6-15-2801 et seq.

(b) A school previously designated as a school of innovation specified under subdivision (8)(A)(ii)(a) of this section shall retain all waivers in effect for the school as of July 1, 2025, until the end of the four-year approval cycle in effect as of July 1, 2025.

(c) A conversion public charter school under subdivision (8)(A)(ii)(a) of this section may be renewed by the authorizer in accordance with § 6-23-201 et seq.

(B)(i) A conversion public charter school that existed on or before July 1, 2025, shall retain all waivers in effect for the conversion public charter school unless:

(a)(1) The conversion public charter school received a letter grade of "D" or "F" under the school rating system under § 6-15-2101 et seq. for the 2022-2023 school year.

(2) All waivers of a conversion public charter school under subdivision (8)(B)(i)(a)(1) of this section shall be in effect until the end of the 2026-2027 school year;

(b)(1) The conversion public charter school received a letter grade of "C" under the school rating system under § 6-15-2101 et seq. for the 2022-2023 school year.

(2) All waivers of a conversion public charter school under subdivision (8)(B)(i)(b)(1) of this section shall be in effect until the end of the 2026-2027 school year; or

(c)(1) The conversion public charter school received a letter grade of "A" or "B" under the school rating system under § 6-15-2101 et seq. for the 2022-2023 school year.

(2) All waivers of a conversion public charter school under subdivision (8)(B)(i)(c)(1) of this section shall be in effect until the end of the 2027-2028 school year.

(ii) If no conditions under subdivision (8)(B)(i) of this section exist, then the waivers in effect for a conversion public charter school that existed on or before July 1, 2025, shall be retained

until the end of the charter term in effect as of July 1, 2025;

~~(6)~~(9) “Eligible entity” means:

- (A) A public institution of higher education;
- (B) A private, nonsectarian institution of higher education;
- (C) A governmental entity; or
- (D) An organization that:
  - (i) Is nonsectarian in its program, admissions policies, employment practices, and operations; and
  - (ii) Has applied for tax-exempt status under the Internal Revenue Code of 1986, 26 U.S.C. § 501(c)(3);

~~(7)~~(10) “Founding member” means ~~any~~ an individual who is either:

- (A) A member or an employee of ~~the~~ an eligible entity applying for the initial charter for an open-enrollment public charter school; or
- (B) A member of the initial governing nonadvisory board of ~~the~~ an open-enrollment public charter school;

~~(8)~~(11) “Local school board” means a board of directors exercising the control and management of a public school district;

~~(9)~~(A)(12)(A) “Open-enrollment public charter school” means a public school that:

- (i) Is operating under the terms of a charter granted by the authorizer ~~on the application of an eligible entity;~~
- (ii) May draw its students from any public school district in this state; and
- (iii) Is a local educational agency under the Elementary and Secondary Education Act of 1965, 20 U.S.C. § 6301 et seq., as it existed on April 10, 2009.

(B) “Open-enrollment public charter school” also possesses the same meaning as given the term “charter school” in the Elementary and Secondary Education Act of 1965, 20 U.S.C. § 7221i, as it existed on April 10, 2009.

(C) An open-enrollment public charter school that existed on or before July 1, 2025, shall retain all waivers in effect for the open-enrollment public charter school unless the open-enrollment public charter school received:

(i)(a) A letter grade of "D" or "F" under the school rating system under § 6-15-2101 et seq. for the 2022-2023 school year.

(b) All waivers of an open-enrollment public charter school under subdivision (12)(C)(i)(a) of this section shall be in effect until the end of the 2026-2027 school year or the end of the charter term, whichever occurs first;

(ii)(a) Received a letter grade of "C" under the school rating system under § 6-15-2101 et seq. for the 2022-2023 school year.

(b) All waivers of an open-enrollment public charter school under subdivision (12)(C)(ii)(a) of this section be in effect until the end of the 2027-2028 school year or the end of the charter term, whichever occurs first; or

(iii)(a) Received a letter grade of "A" or "B" under the school rating system under § 6-15-2101 et seq. for the 2022-2023 school year.

(b) All waivers of an open-enrollment public charter school under subdivision (12)(C)(iii)(a) of this section be in effect until the end of the 2028-2029 school year or the end of the charter term, whichever occurs first.

(D) An open-enrollment public charter school approved by the charter authorizing panel and the State Board of Education to operate as a virtual charter school shall be granted a waiver of requirements in law or rule applicable to the physical presence of students on a school campus as designated by the Division of Elementary and Secondary Education upon approval of an initial application to establish a virtual charter school or a renewal of an existing virtual charter school;

~~(10)~~(13) "Parent" means any parent, legal guardian, person standing in loco parentis, or other person having custody or charge of a school-age child;

~~(11)~~(14) "Public charter school" means a conversion public charter school or an open-enrollment public charter school; and

~~(12)~~(15) "Public school" means a school that is part of a public school district under the control and management of a local school district board of directors.

SECTION 6. Arkansas Code § 6-23-104 is amended to read as follows:

6-23-104. Charter form for public charter schools – Requirements – Revision.

(a) A charter for a public charter school shall:

(1) Be in the form of a written contract signed by the Commissioner of Elementary and Secondary Education and ~~the chief operating officer of the public charter school~~ an authorized member of the charter school board;

(2) Satisfy the requirements of this chapter; and

(3) Ensure that the information required under § 6-23-404 is consistent with the information provided in the application and any modification that the authorizer may require.

(b) ~~Any~~ A revision or amendment of the charter for a public charter school may be made only with the approval of the authorizer.

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

SECTION 7. Arkansas Code § 6-23-105(a)(2), concerning modification of a public charter school's charter, is amended to read as follows:

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

SECTION 8. Arkansas Code § 6-23-105(a)(3), concerning the transfer or assignment of a public charter school charter to an eligible entity, is amended to read as follows:

(3)(A) If the authorizer transfers or assigns the charter of a public charter school to ~~an eligible entity~~ a different charter school board, the authorizer shall not hold the ~~applicant~~ charter school board in receipt of of the charter 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~~ a different charter school board, 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(d), concerning a procedure used to place a public charter school on probation or modifying, revoking, transferring, assigning, or denying renewal of a charter, is amended to read as follows:

(d)(1) The procedure adopted under subsection (c) of this section shall provide an opportunity for a hearing to the persons operating the public charter school.

(2)(A) The hearing shall be held at the Division of Elementary and Secondary Education.

(B) The authorizer shall provide sufficient written notice of the time and location of the hearing.

~~(3) There is no further right of appeal beyond the determination of the authorizer.~~

~~(3)~~ (3) The Arkansas Administrative Procedure Act, § 25-15-201 et seq., shall not apply to a hearing concerning a public charter school.

(4)(A) If a public charter school receives an "F" letter grade for three (3) consecutive school years, then the public charter school's charter shall be revoked.

(B)(i) Within ten (10) days following the notification by the division to a public charter school of its receipt of an "F" letter grade for the third consecutive school year and revocation of the public charter school's charter, the public charter school may request a hearing before the State Board of Education to request reinstatement of the charter.

(ii) The state board shall promulgate rules governing the process for submitting a request and the hearing procedures under subdivision (d)(4)(A) of this section.

SECTION 10. Arkansas Code § 6-23-105(e)(1), concerning actions an open-enrollment public charter school must take upon the revocation, transfer, or assignment of its charter, is amended to read as follows:

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

charter school shall:

(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 and implement a charter closure plan.

(B)(i) Immediately upon the ~~State Board of Education's affirmation of a~~ authorizer's revocation, assignment, or transfer of an open-enrollment public charter school's charter, 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~~:

(a) Hold funds received under subdivision (e)(1)(B)(i) of this section in receivership in a separate fund; and ~~shall expend~~

(b) Expend the funds received under subdivision (e)(1)(B)(i) of this section only with prior approval of the Commissioner of Elementary and Secondary Education.

SECTION 11. Arkansas Code § 6-23-107 is amended to read as follows:

6-23-107. Reporting requirements.

(a) ~~Within ten (10) calendar days of the close of the first quarter of each school year, a~~ A public charter school shall submit a ~~written report, as prescribed in its charter and performance framework, to the Division of Elementary and Secondary Education~~ authorizer in the format required by the Division of Elementary and Secondary Education that contains the following information ~~for the current school year~~ without limitation:

(1) ~~The number of applications for enrollment received~~ Enrollment data;

(2) ~~The number of applicants with a disability identified under~~

~~the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq. The number of applications for enrollment received; and~~

(3) ~~The number of applications for enrollment the public charter school denied and an explanation of the reason for each denial~~ accepted;

(4) The student subpopulation data;

(5) Retention data;

(6) Attrition data;

(7) Disciplinary actions taken against enrolled students; and

(8) Student assessment scores.

~~(b) Within ten (10) calendar days of the close of the fourth quarter of each school year, a public charter school shall submit a written report to the division that contains the following information for the current school year:~~

~~(1) The number of students in each of the following categories:~~

~~(A) Students who dropped out of the public charter school during the school year;~~

~~(B) Students who were expelled during the school year by the public charter school; and~~

~~(C) Students who were enrolled in the public charter school but for a reason other than those cited in subdivisions (b)(1)(A) and (B) of this section did not complete the school year at the public charter school; and~~

~~(2)(A) For all students enrolled in the public charter school, the scores for assessments required under the Arkansas Educational Support and Accountability Act, § 6-15-2901 et seq.~~

~~(B) If there is any discrepancy in the number of students for whom scores are reported under this subdivision (b)(2) and the number of students enrolled at the beginning of the school year, the public charter school shall explain in the report the reason for the discrepancy.~~

~~(e)(b) The division shall not exempt a public charter school from the reporting required under this section.~~

~~(d) The division shall publish a copy of each report on the division's website.~~

~~(e)(c) If a public charter school fails to comply with this section, the division shall note the failure in the annual evaluation of the public charter school.~~

SECTION 12. Arkansas Code § 6-23-201 is amended to read as follows:

~~(a)(1)~~ Any public school district may apply to the authorizer for conversion public charter school status for a public school in the public school district in accordance with a schedule approved by the authorizer using the application developed by the Division of Elementary and Secondary Education.

~~(2)~~ A public school district's application for conversion public charter school status for the public school may include, but shall not be limited to, the following purposes:

~~(A)~~ Adopting research-based school or instructional designs, or both, that focus on improving student and school performance, which may include without limitation the implementation of a community school plan, as defined by § 6-15-3002;

~~(B)~~ Addressing school improvement status resulting from sanctions listed in § 6-15-207(e)(8) and § 6-15-429(a) and (b) [repealed]; or

~~(C)~~ Partnering with other public school districts or public schools to address students' needs in a geographical location or multiple locations.

~~(b)~~ Such application shall:

~~(1)(A)~~ Describe the results of a public hearing called by the local school district board of directors for the purpose of assessing support of an application for conversion public charter school status.

~~(B)~~ Notice of the public hearing shall be:

~~(i)~~ Distributed to the community, licensed personnel, and the parents of all students enrolled at the public school for which the public school district initiated the application; and

~~(ii)~~ Published in a newspaper having general circulation in the public school district at least three (3) weeks before the date of the meeting;

~~(2)~~ Describe a plan for school improvement that addresses how the conversion public charter school will improve student learning and meet the state education goals;

~~(3)~~ Outline proposed performance criteria that will be used during the initial five-year period of the charter to measure the progress of the conversion public charter school in improving student learning and

~~meeting or exceeding the state education goals;~~

~~(4) Describe how the licensed employees and parents of students to be enrolled in the conversion public charter school will be involved in developing and implementing the school improvement plan and identifying performance criteria;~~

~~(5) Describe how the concerns of licensed employees and parents of students enrolled in the conversion public charter school will be solicited and addressed in evaluating the effectiveness of the improvement plan; and~~

~~(6) List the specific provisions of this title and the specific rules promulgated by the State Board of Education from which the conversion public charter school will be exempt.~~

~~(c)(1) A licensed teacher employed by a public school in the school year immediately preceding the effective date of a charter for a public school conversion within that public school district may not be transferred to or be employed by the conversion public charter school over the licensed teacher's objection, nor shall that objection be used as a basis to deny continuing employment within the public school district in another public school at a similar grade level.~~

~~(2) If the transfer of a teacher within the public school district is not possible because only one (1) public school exists for that teacher's licensure level, then the local school district board of directors shall call for a vote of the licensed teachers in the proposed conversion public charter school site and proceed, at the option of the local school board of directors, with the conversion public charter school application if a majority of the licensed teachers approve the proposal.~~

SECTION 13. Arkansas Code § 6-23-202 is amended to read as follows:

6-23-202. Authorization for conversion public charter school status.

~~As requested by the~~ Upon request of a conversion public charter school applicant, the authorizer shall review the application for conversion public charter school status and may approve any or deny an application ~~that~~

~~(1) Provides a plan for improvement at the school level for improving student learning and for meeting or exceeding the state education goals;~~

~~(2) Includes a set of performance-based objectives and student~~

~~achievement objectives for the term of the charter and the means for measuring those objectives on at least a yearly basis;~~

~~(3) Includes a proposal to directly and substantially involve the parents of students to be enrolled in the conversion public charter school, as well as the licensed employees and the broader community, in the process of carrying out the terms of the charter; and~~

~~(4) Includes an agreement to provide a yearly report to parents, the community, the local school district board of directors, and the authorizer that indicates the progress made by the conversion public charter school in meeting the performance objectives during the previous year.~~

SECTION 14. Arkansas Code § 6-23-301 is amended to read as follows:

6-23-301. Application forms and procedures for open-enrollment public charter schools.

~~(a)~~ The authorizer shall adopt:

(1) An application form, a schedule, and a procedure that must be used to apply for a charter for an open-enrollment public charter school; and

(2) Criteria to use in selecting a program for which a charter may be granted.

~~(b) The application form must provide space for including all information required under this chapter to be contained in the charter.~~

SECTION 15. Arkansas Code § 6-23-302(c), concerning an application to become an open-enrollment public charter school, is amended to read as follows:

(c) The application under this section shall:

(1)~~(A)~~ Describe the results of a public hearing called by the applicant for the purpose of assessing support for an application for an open-enrollment public charter school.

~~(B)(i) Notice of the public hearing shall be published one (1) time a week for three (3) consecutive weeks in a newspaper having general circulation in the public school district in which the open-enrollment public charter school is likely to be located.~~

~~(ii) The last publication of notice shall be no less than seven (7) days before the public meeting.~~

~~(iii) The notice shall not be published in the classified or legal notice section of the newspaper.~~

~~(C)(i) Within seven (7) calendar days following the first publication of notice required under subdivision (c)(1)(B) of this section, letters announcing the public hearing shall be sent to the superintendent of each of the public school districts from which the open-enrollment public charter school is likely to draw students for the purpose of enrollment and the superintendent of any public school district that is contiguous to the public school district in which the open-enrollment public charter school will be located.~~

~~(ii) An affected school district may submit written comments concerning the application to the authorizer to be considered at the time of the authorizer's review of the application;~~

(2) Describe a plan for academic achievement that addresses how the open-enrollment public charter school will improve student learning and meet or exceed the state education goals, which may include without limitation the implementation of a community school plan, as defined by § 6-15-3002;

(3) Outline the proposed performance criteria that will be used during the initial five-year period of the open-enrollment public charter school operation to measure its progress in improving student learning and meeting or exceeding the state education goals;

(4) List the specific provisions of this title and the specific rules promulgated by the State Board of Education from which the open-enrollment public charter school seeks to be exempted;

(5)(A) Describe in general terms the area within the boundaries of the school district where the applicant intends to obtain a facility to be used for the open-enrollment public charter school.

(B) If the facility to be used for an open-enrollment public charter school is a public school district facility, the open-enrollment public charter school ~~must~~ shall operate in the facility in accordance with the terms established by the local school district board of directors of the public school district in an agreement governing the relationship between the open-enrollment public charter school and the public school district.

(C) If the facility that will be used for the open-

enrollment public charter school is owned by or leased from a sectarian organization, the terms of the facility agreement ~~must~~ shall be disclosed to the authorizer; and

(6) Include a detailed budget and a governance plan for the operation of the open-enrollment public charter school.

SECTION 16. Arkansas Code § 6-23-303 is amended to read as follows:

6-23-303. Authorization for an open-enrollment public charter school.

~~As requested by the~~ Upon request of an applicant for an open-enrollment public charter school, the authorizer shall review the application for an open-enrollment public charter school and may approve any application that:

(1) Provides a plan for academic achievement that addresses how the open-enrollment public charter school proposes to improve student learning and meet or exceed the state education goals;

(2) Includes a set of performance criteria that will be used during the initial five-year period of the open-enrollment public charter school's operation to measure its progress in meeting its academic, financial, and operational performance goals;

(3) Includes a proposal to directly and substantially involve the parents of students to be enrolled in the open-enrollment public charter school, the licensed employees, and the broader community in carrying out the terms of the open-enrollment charter;

(4) Includes an agreement to provide an annual report to parents, the community, and the authorizer that demonstrates the progress made by the open-enrollment public charter school during the previous academic year in meeting its academic, financial, and operational performance ~~objectives~~ goals;

(5) Includes a detailed budget, a business plan, and a governance plan for the operation of the open-enrollment public charter school; and

(6) Establishes the eligible entity's application status as a tax-exempt organization under § 501(c)(3) of the Internal Revenue Code of 1986 before the first day of its operation with students.

SECTION 17. Arkansas Code § 6-23-304(a), concerning approval or denial of an application for an open-enrollment public charter school, is amended to

read as follows:

(a) The authorizer may approve or deny an application based on:

(1) Criteria provided by law or by rule adopted by the State Board of Education; and

(2) Findings of the authorizer relating to improving student performance and encouraging innovative programs; ~~and~~

~~(3) Written findings or statements received by the authorizer from any public school district likely to be affected by the open-enrollment public charter school.~~

SECTION 18. Arkansas Code § 6-23-304(c) and (d), concerning the number of campuses an open-enrollment public charter school may open and operate, is amended to read as follows:

(c)(1) An open-enrollment public charter ~~school applicant's school~~ school's campus shall be limited to a single open-enrollment public charter school per charter except as allowed in subsection (d) of this section.

(2) A private or parochial elementary or secondary school shall not be eligible for open-enrollment public charter school status.

(d) A charter applicant that receives an approved open-enrollment public charter may petition the authorizer for ~~additional licenses to establish an open-enrollment public charter school in any of the various congressional districts~~ approval to open and operate additional campuses in Arkansas if the applicant meets the following conditions:

(1) The approved open-enrollment public charter ~~applicant~~ school is meeting the terms and performance criteria of its charter and has demonstrated academic success as defined by the state board for all public schools;

(2) The approved open-enrollment public charter applicant has not:

(A) Been subject to any disciplinary action by the authorizer;

(B) Been ~~classified as in need of Level 5 Intensive support or fiscal distress~~ found to exhibit academic, fiscal, or organizational deficiencies; and

(C) Had its open-enrollment public charter placed on charter school probation or suspended or revoked under § 6-23-105; and

(3) The authorizer determines in writing by majority of a quorum present that the approved open-enrollment public charter applicant has generally established the educational program results and criteria set forth in this subsection.

SECTION 19. Arkansas Code § 6-23-307 is amended to read as follows:

6-23-307. Renewal of charter.

(a)(1) After the initial five-year period of an open-enrollment public charter, the authorizer may renew the open-enrollment public charter on a one-year or multiyear basis, not to exceed twenty (20) years.

(2) A renewal decision shall be based on the academic, financial, and operational performance of a charter school over the term of a charter contract.

(b) ~~The State Board of Education~~ Division of Elementary and Secondary Education shall create an expedited renewal process for open-enrollment public charter schools that meet certain criteria that includes ~~the following~~ without limitation:

(1) A school rating that is above the state average based on the most recent results of the Arkansas school rating system established under §§ 6-15-2105 and 6-15-2106 and ~~state board~~ State Board of Education rules;

(2) Demonstration of exceptional academic growth with enrolled students, ~~as defined by the state board; and~~

(3) Adherence to all operational and financial requirements, as defined by the state board; ~~and~~

(4) Demonstration of operational viability and financial sustainability as evidenced by performance indicators.

SECTION 20. Arkansas Code § 6-23-401(b)(1), concerning rules and restrictions imposed on open-enrollment public charter schools, is amended to read as follows:

(b) An open-enrollment public charter school is subject to any prohibition, restriction, or requirement imposed by this title and any rule promulgated by the State Board of Education under this title relating to:

(1) Monitoring compliance with this chapter, as determined by the ~~commissioner~~ authorizer;

(2) Public school accountability under this title;

- (3) High school graduation requirements as established by the state board;
- (4) Special education programs as provided by this title;
- (5) Conducting criminal background checks for employees as provided in this title;
- (6) Health and safety codes as established by the state board and local governmental entities; and
- (7) Reporting through the Arkansas Public School Computer Network applications as provided under this title.

SECTION 21. Arkansas Code § 6-23-402 is amended to read as follows:  
6-23-402. Enrollment numbers and deadline.

(a) An open-enrollment public charter school may enroll a number of students not to exceed the number of students specified in its charter.

~~(b)(1) Any student enrolling in an open-enrollment public charter school shall enroll in that school by July 30 for the upcoming school year during which the student will be attending the open-enrollment public charter school.~~

~~(2) However, if a student enrolled by July 15 should no longer choose to attend the open-enrollment public charter school or if the open-enrollment public charter school has not yet met its enrollment cap, the open-enrollment public charter school may enroll a number of replacement or additional students not to exceed the enrollment cap of the open-enrollment public charter school.~~

~~(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.~~

~~(e)(b)~~ Open-enrollment public charter schools shall keep records of attendance in accordance with the law and submit quarterly attendance reports to the Division of Elementary and Secondary Education.

SECTION 22. Arkansas Code § 6-23-404 is amended to read as follows:  
6-23-404. Evaluation of open-enrollment public charter schools.

(a) The Division of Elementary and Secondary Education shall ~~cause to be conducted~~ conduct an annual evaluation of open-enrollment public charter schools.

(b) An annual evaluation shall ~~include without limitation consideration of:~~ be based on a review of the criteria that is specified in the public charter school's charter and the public charter school's letter grade, in accordance with applicable rules.

~~(1) Student scores under the statewide assessment program described in § 6-15-433 [repealed];~~  
~~(2) Student attendance;~~  
~~(3) Student grades;~~  
~~(4) Incidents involving student discipline;~~  
~~(5) Socioeconomic data on students' families;~~  
~~(6) Parental satisfaction with the schools;~~  
~~(7) Student satisfaction with the schools; and~~  
~~(8) The open-enrollment public charter school's compliance with § 6-23-107.~~

(c) The authorizer may require ~~the~~ a charter holder to appear before the authorizer to discuss the results of the annual evaluation and to present further information to the authorizer as the authorizer deems necessary.

SECTION 23. Arkansas Code § 6-23-405 is amended to read as follows:

~~6-23-405. Monthly reports~~ Initial year monitoring.

~~An open-enrollment public charter school in its initial school year of operation shall provide monthly reports on its enrollment status and compliance with its approved budget for the current school year to the~~ The Division of Elementary and Secondary Education shall monitor open-enrollment public charter schools with regard to student enrollment and budgetary compliance.

SECTION 24. Arkansas Code § 6-23-406 is repealed.

~~6-23-406. Division of Elementary and Secondary Education review.~~

~~The Division of Elementary and Secondary Education shall:~~

~~(1) Conduct an end-of-semester review of each open-enrollment public charter school that is in its initial school year of operation at the end of the first semester and at the end of the school year; and~~

~~(2) Report to the State Board of Education and the Commissioner of Elementary and Secondary Education on the open-enrollment public charter school's:~~

- ~~(A) Overall financial condition; and~~  
~~(B) Overall condition of student enrollment.~~

SECTION 25. Arkansas Code § 6-23-701(b) and (c), concerning the charter authorizing panel, are amended to read as follows:

(b)(1) The division shall exercise authority over public charter schools under this chapter ~~through a public~~ by recommending to a charter authorizing panel established within the division that the charter authorizing panel take actions authorized under subsection (a) of this section.

(2)(A) The Commissioner of Elementary and Secondary Education shall appoint ~~a public charter authorizing panel~~ the members of the charter authorizing panel ~~that may consist of individuals from outside the division as well as professional staff employed at the division~~ to serve at the pleasure of the commissioner.

(B) ~~The commissioner may elect to serve as a member on the public charter authorizing panel as the chair~~ Members of the charter authorizing panel may be:

- (i) Individuals from outside the division;
- (ii) Professional staff employed by the division; or
- (iii) The commissioner.

(3) ~~The public charter authorizing panel~~ charter authorizing panel shall ~~be composed of an odd number of members and shall consist of no less than five (5) members and no more than eleven (11) members;~~

(A) Seven (7) members; and

(D) A simple majority of members from outside the Department of Education.

(c) ~~The~~ Upon approval of the division, the charter authorizing panel:

(1) Shall review applications to establish, renew, modify, revoke, transfer, or assign a new or existing public charter and make a recommendation to the State Board of Education for a final decision; and may

(2) May recommend to the State Board of Education that it waive provisions of this title ~~or State Board of Education~~ and state board rules as allowed by law for public charters.

SECTION 26. Arkansas Code § 6-23-701(e), concerning the primary

authorizer of public charters, is amended to read as follows:

~~(e) The division shall be the primary authorizer of public charters except as provided under § 6-23-703 state board may promulgate rules as necessary to administer this subchapter.~~

SECTION 27. Arkansas Code § 6-23-703 is amended to read as follows:

6-23-703. State Board of Education ~~optional~~ review.

(a) The Division of Elementary and Secondary Education shall notify in writing the State Board of Education of all recommendations made by the charter authorizing panel before the next regularly scheduled state board meeting after a recommendation is made by the charter authorizing panel.

(b)(1) At its next meeting following notification by the division under subsection (a) of this section, the state board shall vote to accept or reject each recommendation made by the charter authorizing panel.

(2) If the state board votes to reject a recommendation made by the charter authorizing panel, the state board shall:

(A) Provide the specific reasons for its rejection and any additional information used as the basis for its rejection; and

(B)(i) Conduct a hearing at the earlier date of the next regularly scheduled state board meeting or a special state board meeting.

(ii) At the conclusion of a hearing under subdivision (b)(2)(B)(i) of this section, the state board shall issue a final decision regarding a public charter school or an application to become a public charter school under this subchapter.

(c) A public charter school or an applicant to become a public charter school may appeal a recommendation of the charter authorizing panel to the state board by filing a written notice of appeal with the Secretary of the Department of Education within fifteen (15) calendar days of the charter authorizing panel's recommendation.

~~(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.~~

~~(c)(1) At the conclusion of the hearing, the state board may issue a final decision by state board vote.~~

~~(2) The state board may decide by majority vote of the quorum to:~~

~~(A) Affirm the decision of the division;~~

~~(B) Take other lawful action on the public charter; or~~

~~(C)(i) Request additional information from the division, public charter school, public charter school applicant, or affected school district, if needed.~~

~~(ii) If the state board requests additional information under subdivision (c)(2)(C)(i) of this section, the state board shall hold a subsequent hearing at the earlier of:~~

~~(a) The next regularly scheduled state board meeting; or~~

~~(b) A special board meeting called by the state board.~~

~~(3) A decision made by the state board is final with no right of appeal.~~

~~(d) The state board may promulgate rules as necessary to implement this section.~~

(a) A public charter school or an applicant to become a public charter school may appeal any adverse ruling from the authorizer to the State Board of Education.

(b)(1) If a public charter school or an applicant to become a public charter school chooses to appeal an adverse ruling from the authorizer under subsection (a) of this section, the public charter school or the applicant to become a public charter school shall file a written notice of appeal with the state board within fifteen (15) calendar days of the authorizer's adverse ruling.

(2) A written notice of appeal filed with the state board under subdivision (b)(1) of this section shall state the specific reasons supporting a review by the state board.

(c)(1) Upon receipt of a notice of appeal under subdivision (b)(1) of this section, the state board shall, upon a motion approved by a majority vote, determine whether to hear or decline to hear an appeal.

(2) If the state board decides to hear an appeal, the hearing

shall be conducted at the earlier of:

(A) The next regularly scheduled state board meeting; or

(B) A special meeting called by the state board for the purpose of hearing the appeal.

(d) A decision by the state board under this section is final with no further right to appeal.

(e) The state board may promulgate rules as necessary to implement this section.

*/s/McCollum*