# ARKANSAS REGISTER



# **Proposed Rule Cover Sheet**

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Name of Department				
Agency or Division Name				
Other Subdivision or Department, If Applicable				
Previous Agency Name, If Applicable				
Contact Person				
Contact E-mail				
Contact Phone				
Name of Rule				
Newspaper Name				
Date of Publishing				
Final Date for Public Comment				
Location and Time of Public Meeting				

# Arkansas Department of Education Arkansas Division of Elementary and Secondary Education Rules Governing the Succeed Scholarship Program January 2016 Effective 2019

#### 1.00 Authority

- 1.01 The Arkansas State Board of Education's authority for promulgating these Rules is pursuant to Ark. Code Ann. §§ 6-11-105, 6-20-2301 et seq., and 6-41-101 et seq., and Act 1178 of 2015 Acts 327, 637, and 894 of 2017, and Acts 548 and 1078 of 2019.
- 1.02 These Rules shall be known as the Arkansas Department of Education (ADE)

  Arkansas Division of Elementary and Secondary Education Rules Governing the Succeed Scholarship Program.

#### 2.00 Purpose

2.01 The purpose of these Rules is to establish guidelines for the implementation of the Succeed Scholarship Program in order to provide a scholarship to a private school of choice for <u>students in foster care and students</u> with disabilities that have an individualized education program <u>or an individualized service plan</u> in accordance with the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq.

#### 3.00 Definitions

- 3.01 "Department" or "ADE" is the Arkansas Department of Education "Division" means the Arkansas Division of Elementary and Secondary Education.
- 3.02 <u>"Foster care"</u> means the care of a child by a group home or group facility on a twenty-four-a-day basis away from the home of the child's parent or parents;
- 3.03 "Foster parent" means the responsible official or officials of a group home or group facility that provides foster care to a child;
- 3.04 "Individualized education program" or "IEP" means a written statement for a child with a disability that is developed, reviewed, and revised by a public school in accordance with the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq., and its implementing regulations, 34 C.F.R. §§ 300.320 through 300.324.
- 3.05 "Individualized service plan" means a written statement developed by the public school district that describes the special education and related services the public

- school district will provide to a parentally-placed child with a disability enrolled in a private school or home school who has been designated to receive services, consistent with 34 C.F.R. §§ 300.137 through 300.139.
- 3.06 "Parent" means a student's parent or foster parent;
- 3.027 "Scholarship Payment" is means a disbursement to the parent or legal guardian of a student participating in the Succeed Scholarship Program contingent upon appropriation and funding for the purpose of implementing the Succeed Scholarship Program.
- 3.038 "School District" is means a geographic area with an elected board of directors that qualifies as a taxing unit for purposes of *ad valorem* property taxes under Title 26 of the Arkansas Code, and whose board conducts the daily affairs of public schools pursuant to the supervisory authority vested in it by the General Assembly and Title 6 of the Arkansas Code. For the purposes of these Rules, all references to "school district" include open enrollment public charter schools, except as waived by the State Board of Education pursuant to Ark. Code Ann. § 6-23-301 et seq.
- 3.049 "School Year" is means the year beginning July 1 of one calendar year and ending June 30 of the next calendar year.
- 3.0510 "Severely Disabled" is an individual that has an individualized education program in accordance with the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq.

#### 4.00 Student Eligibility

- 4.01 A parent or legal guardian of a public school student with a disability may apply for a Succeed Scholarship to enroll his or her child in a private school if:
  - 4.01.1 The student is currently enrolled in a public school district and has attended public school for at least the one (1) full school year immediately prior to the school year for which the scholarship payments would be disbursed:
    - 4.01.1.1 If the student is a dependent of an active duty member of any branch of the United States armed forces, Section 4.01.1 does not apply. Section 4.01.1 does not apply if:
      - 4.01.1.1.1 The student is a dependent of an active duty member of any branch of the United States Armed Forces; or

- 4.01.1.1.2 The Superintendent of the student's resident school district waives the requirement;
- 4.01.2 The student: has an individualized education program in accordance with the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq.; and
  - 4.01.2.1 <u>Is in foster care or has been in the foster care system and achieved permanency through adoption, reunification, or permanent guardianship;</u>
  - Has an individualized education program in accordance with the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq., or has been medically diagnosed by a licensed physician as a child with a disability under 20 U.S.C. § 1401(3)(A);
    - 4.01.2.2.1 A student who has had the enrollment requirement waived by the superintendent under the provisions of 4.01.1.1.2, must have had an IEP active on the last date he or she was enrolled in a public school, or in the case of a preschool student who has never been enrolled in a public school, have had an IEP or Individual Program Plan (IPP), as defined by the Department of Human Services, Division of Developmental Disabilities Services, standards, active on the last date he or she was enrolled in the preschool program.
  - 4.01.2.3 Participated in the Succeed Scholarship Program during the prior school year and has not yet graduated from high school or attained twenty-one (21) years of age; or
  - 4.01.2.4 Has an individualized service plan in accordance with the Individuals with Disabilities Education Act, 20 U.S.C. § 1412(a)(10) and 34 C.F.R. §§ 300.137 through 300.139.
- 4.01.3 The student has been accepted for admission into a private school that is eligible to participate in the Succeed Scholarship Program—:
- 4.01.4 The parent has notified the student's current school district of the request for a scholarship at least sixty (60) days before the date of the first scholarship payment; and
- 4.01.5 For students in foster care, the Department of Human Services approves the student's placement in the private school.

- 4.02 The parent or legal guardian shall:
  - 4.02.1 Apply for the scholarship at least sixty-five (65) days before the date of the first scheduled scholarship payment for the private school to which the student has been accepted for admission; and
  - 4.02.2 Notify the superintendent of the student's current and resident school district(s) within five (5) business days of submitting the application.
- 4.03 If a student is accepted for admission into a private school upon the availability of space, a parent or legal guardian shall notify the student's current and resident school district(s) at least sixty (60) days before the student enrolls in the private school and thereby becomes eligible for receives the first scholarship payments for attending that private school payment.
- 4.04 The Division shall not approve more than twenty (20) scholarships per academic year for students in foster care.
- 4.04 If the parent or legal guardian of a student already participating in the program wishes to participate in the program in the upcoming school year and to enroll the student for the upcoming school year in a private school from the list of private schools eligible to participate in the program other than the participating private school in which the student is currently enrolled, the parent or legal guardian shall follow the full application process contained in these Rules.
  - 4.04.1 Sections 4.01.1, 4.02.2, and 4.03 of these Rules shall not apply to a student already participating in the program.
  - 4.04.2 Section 4.01.2.2 shall be construed as requiring that the student had an individualized education program in accordance with the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq. upon the student's initial participation in the program.
  - 4.04.3 Approval of an application under Section 4.04 is not guaranteed.
- 4.05 For purposes of continuity of educational choice, the Succeed Scholarship

  Program payments made pursuant to Ark. Code Ann. § 6-41-901 et seq. and these rules, shall remain in effect until a student who is participating in the Succeed Scholarship Program returns to a public school district or open-enrollment public charter school, graduates from high school, or attains twenty-one (21) years of age, whichever occurs first.

#### 5.00 Private School Eligibility

- 5.01 A private school shall notify the Department Division of its intent to participate in the Succeed Scholarship Program.
  - 5.01.1 The notice shall specify the grade levels and services that the private school has available for severely disabled students who are participating in the program.
  - 5.01.2 The notice shall contain a complete description of the private school's disciplinary procedures, code(s) of conduct, and parental involvement requirements.
    - 5.01.2.1 The Department Division shall maintain a record of the descriptions under Section 5.01.2 and make the record available on the Department's Division's website.
- 5.02 The Department Division shall approve a private school as eligible to participate in the program if the private school:
  - 5.02.1 Meets the accreditation requirements set by Complies with one of the following:
    - 5.02.1.1 The State Board of Education Meets the accreditation requirements set by:
      - 5.02.1.1.1 The State Board of Education;
      - 5.02.1.1.2 The Arkansas Nonpublic School Accrediting Association or its successor; or
      - 5.02.1.1.3 Another accrediting association recognized by the State Board of Education as providing services to severely disabled individuals; or
    - The Arkansas Nonpublic School Accrediting Association or its successor; or Is an associate member of or has applied for accreditation by the Arkansas Nonpublic School Accrediting Association or its successor or another accrediting association recognized by the State Board of Education as providing services to severely disabled individuals.
      - 5.02.1.2.1 Another accrediting association recognized by the State Board of Education as providing services to severely disabled individuals. A private school shall no longer be eligible if:

- 5.02.1.2.1.1The private school has not received accreditation within four (4) years of becoming eligible under Section 5.02.1.2;
- 5.02.1.2.1.2The accrediting association

  determines that the private school is

  ineligible or unable to continue the
  accreditation process; or
- 5.02.1.2.1.3It becomes impossible for the private school to obtain accreditation within four (4) years of becoming eligible under Section 5.02.1.2.
- 5.02.1.4 The Arkansas Nonpublic School Accrediting Association and any other accrediting association(s) recognized by the State Board of Education under Section 5.02.1.3 shall submit to the Department, on an annual basis, a complete list of private schools currently accredited under the authority of its association.
  - 5.02.1.52.2The Arkansas Nonpublic School Accrediting
    Association and any other accrediting
    association(s) recognized by the State Board of
    Education under Section 5.02.1.3 A
    participating private school shall notify the
    Department Division of loss of accreditation of
    any private school accredited under the
    authority of its association or any action making
    the school ineligible pursuant to 5.02.1.2.1
    within thirty (30) days of the loss of
    accreditation.
  - 5.02.1.2.3A private school that is not fully accredited shall report annually to the State Board of Education, or its designee, the school's progress towards accreditation.
- 5.02.2 Demonstrates fiscal soundness by having been in operation for one (1) school year or providing the <u>Department Division</u> with a statement by a certified public accountant confirming that:
  - 5.02.2.1 The private school is insured; and

- 5.02.2.2 The private school has sufficient capital or credit to operate in the upcoming school year.
- 5.02.2.3 In lieu of a statement, a surety bond or letter of credit for the amount equal to the scholarship funds for any quarter may be filed with the Department Division.
- 5.02.3 Complies with the antidiscrimination provisions of 42 U.S.C. § 2000d;
- 5.02.4 Meets state and local health and safety requirements and maintains an environment in which the health, safety, and welfare of students is not threatened;
- 5.02.5 Is academically accountable to the parent or legal guardian for meeting the educational needs of students;
- 5.02.6 Employs or contracts with only teachers who hold baccalaureate or higher degrees;
- 5.02.7 Employs or contracts with at least one (1) teacher who holds a current, valid standard license in special education issued by the State Board of Education as evidenced by a copy of the license and contract, if applicable;
  - 5.02.7.1 If, at any point following approval under Section 5.02, an eligible private school no longer employs or contracts with at least one (1) teacher who holds a current, valid standard license in special education, the private school shall notify the parent(s) or legal guardian(s) of any student(s) participating in the program enrolled in or regularly attending the private school and the Division within five (5) days.
    - If, at any point following approval under Section 5.02, an eligible private school no longer employs or contracts with at least one (1) teacher who holds a current, valid standard license in special education, the private school shall notify the State Board of Education or the State Board of Education's designee within twenty (20) days If the eligible private school is unable to employ or contract with a new teacher who holds a current, valid standard license in special education within thirty (30) days following the notice required by Section 5.02.7.1, the private school shall no longer be eligible for participation in the program and shall immediately notify the Division.

5.02.7.2

- 5.02.8 Complies with all state laws and rules governing private schools; and
- 5.02.9 Adheres to the tenets of its published disciplinary procedures before an expulsion of a student participating in the program.
- 5.03 The Department Division shall maintain a list of private schools eligible to participate in the program and make the list available on the Department's Division's website.
- 5.04 An eligible private school shall administer annually or make provisions for a student participating in the program to take a nationally recognized, norm-referenced test as established by the State Board of Education.
  - 5.04.1 A student with an individualized education program <u>or individualized</u> <u>service plan</u> that provides for an exemption to standardized testing is not required to take the test required under Section 5.04.
  - 5.04.2 An eligible private school shall annually prepare a portfolio that provides information on a student's progress to the student's parent or legal guardian if a student is exempt from standardized testing as permitted under Section 5.04.1.
  - 5.04.3 An eligible private school shall provide annually to the State Board of Education, or its designee, in a format prescribed by the Bureau of Legislative Research in consultation with the Division:
    - 5.04.3.1 A list of students who have taken a nationally recognized nor-referenced test;
    - 5.04.3.2 Each student's test results;
    - 5.04.3.3 A list of students with an individualized education program or individualized service plan that provides for an exemption to standardized testing:
    - 5.04.3.4 A list of students with portfolios pursuant to 5.04.2;
    - 5.04.3.5 A general summary of the information provided in each portfolio;
    - 5.04.3.6 A list of all students who received a Succeed Scholarship and have been dismissed by the private school;
    - 5.04.3.7 A list of all students who received a Succeed Scholarship and voluntarily returned to a traditional public school;

- 5.04.3.8 A list of students in foster care who received a Succeed Scholarship; 5.04.3.9 A list of students in foster care who received a Succeed Scholarship and have been dismissed by the private school: 5.04.3.10 A list of students in foster care who received a Succeed Scholarship and have been removed by the Department of Human Services; A report of administrative costs required to implement the 5.04.3.11 Succeed Scholarship Program; and A report regarding the demographic data of students who 5.04.3.12 received a Succeed Scholarship.
- 5.05 An eligible private school shall notify the State Board of Education or the State Board of Education's designee <u>Division</u> if any student participating in the program ceases to be enrolled in or regularly attend the private school for any reason.
- 5.06 An eligible private school shall annually complete the recertification process established by the Department annually to inform the Department of intent to maintain enrollment in a private school eligible to participate Division to continue participation in the program in order to continue.
- 5.067 The inability of a private school to meet the requirements under these Rules shall constitute a basis for the ineligibility of the private school to participate in the Succeed Scholarship Program as determined by the State Board of Education or the State Board of Education's designee.
- 5.078 Any instance of an owner, operator, superintendent, or principal of, or a person who has equivalent decision-making authority over, a private school participating in the Succeed Scholarship Program operating or having operated an educational institution in Arkansas or in another state or jurisdiction in a manner contrary to the health, safety, or welfare of the public shall constitute a basis for the ineligibility of the private school to participate in the program as determined by the State Board of Education or the State Board of Education's designee.

## 6.00 Responsibilities of Participating Students

- 6.01 The parent or legal guardian of a student participating in the Succeed Scholarship Program shall:
  - 6.01.1 Select the private school from the list of private schools eligible to participate in the program that is maintained by the Department

#### Division;

- 6.01.2 Fully comply with the parental involvement requirements of the private school unless excused by the school for illness or other good cause;
- 6.01.3 Sign a waiver that releases the State of Arkansas from any legal obligation to provide services or education to the student participating in the program except for funding provided for the program under these Rules;
- 6.01.4 Sign a waiver that releases the student's resident school district from any legal obligation to provide services or education to the student participating in the program while the student is not enrolled in the student's resident school district as provided under these Rules;
- 6.01.5 Notify the State Board of Education or the State Board of Education's designee <u>Division</u> if the student ceases to be enrolled in or regularly attend the private school for any reason-; and
- 6.01.6 Correspond with Annually complete the recertification process established by the Department Division annually to inform the Department of intent to maintain enrollment in a private school eligible to participate to continue participation in the program in order to continue and the disbursement of scholarship payments.
- 6.02 A student participating in the program shall:
  - 6.02.1 Attend the private school throughout the school year unless excused by the school for illness or other good cause; and
    - 6.02.1.1 If the parent or legal guardian of a student participating in the program who has ceased to be enrolled in or regularly attend the private school wishes to enroll the student in another private school from the list of private schools eligible to participate in the program prior to the end of the school year, the parent or legal guardian shall:
      - 6.02.1.1.1 Provide proof to the Department Division that the student has been accepted for admission into another private school that is eligible to participate in the program; and
      - 6.02.1.1.2 Request that the State Board of Education

        <u>Division</u> approve a reinstatement <u>or transfer</u>
        of the student's scholarship payments.

- 6.02.1.1.3 No more than one (1) such request may be made within the same school year.
- 6.02.2 Fully comply with the code of conduct for the private school.
- 6.03 The State Board of Education may terminate a scholarship if the student or the student's parent or legal guardian materially fails to comply with the responsibilities under these Rules.

#### 7.00 Scholarship Payments – Funding

- 7.01 The maximum scholarship available under the Succeed Scholarship Program is the foundation funding amount for the current school year under Ark. Code Ann. § 6-20-2305.
- 7.02 The amount of the scholarship shall be the amount ealculated under set forth in Section 7.01 or the amount of tuition and fees for the period of time the student is enrolled in the private school after the student is determined eligible for the program, whichever is less.
- 7.03 Scholarship payments shall be disbursed to the parent or legal guardian of a student participating in the Succeed Scholarship Program on a monthly basis by the Department Division or another state agency, person, firm, or corporation designated by the Department Division to administer and disburse funds.
  - 7.03.1 If the Department Division designates a third party to administer funds, scholarship payments shall be made from the third party by individual warrant made payable to the student's parent or legal guardian, and delivered by the Department to the third party, and the The parent or legal guardian shall restrictively endorse the warrant to the eligible private school of the parent's or legal guardian's choice after which the third party shall deposit the payment into the account of and the private school shall verify receipt of payment to the Division.
  - 7.03.2 A third party designated to administer funds must maintain an effective internal control system as outlined by the Division.
- 7.04 Beginning on July 1, 2015, the Department shall prepare a budget, including cost estimates and projections so that a separate appropriation can be made for the program for the 2016-2017 school year.
  - 7.04.1 For the 2016-2017 school year, the program shall be limited to 100 students.
- 7.054 The program shall be funded separately from the Public School Fund and other funds or appropriations designated for public schools.

7.065 The program shall not be funded with county, city, or school district tax revenues.

#### 8.00 Rules and Duties

- 8.01 The State Board of Education shall adopt rules and develop notices and other documentation necessary to administer the Succeed Scholarship Program that are in the best interest of students.
- 8.02 The State Board of Education shall not:
  - 8.02.1 Become a party to a contract between a participating private school and the parent or legal guardian of a student participating in the program; or
  - 8.02.2 Make payments to the parent or legal guardian of a student after the State Board of Education is notified from either a participating school or a student's parent or legal guardian that the student is no longer enrolled in or attending a participating private school.
  - 8.02.3 Make payments to the parent or legal guardian of a student enrolled in or attending a private school that the State Board of Education has determined is ineligible to participate in the program.

### 9.00 Autonomy of Participating Private Schools

- 9.01 A private school that participates in the Succeed Scholarship Program is not considered an agent or instrumentality of the State of Arkansas or a school district.
- 9.02 The curriculum and education plan for a student with a disability attending a private school is not subject to the regulatory authority of the State Board of Education.
- 9.03 As a condition of continued participation in the program, each participating private school shall:
  - 9.03.1 Certify under oath, on a semiannual an annual basis, that any student(s) participating in the program is/are and has/have been enrolled and attending the participating private school except for excused absences.; and
  - 9.03.2 Certify under oath, on an annual basis, that any student(s) not participating in the program is/are and has/have been enrolled and attending the participating private school except for excused absences-it continues to meet the eligibility criteria required in Section 5.02 for continued participation in the program.

# QUESTIONNAIRE FOR FILING PROPOSED RULES WITH THE ARKANSAS LEGISLATIVE COUNCIL

DE	CPARTMENT/AGENCY					
	VISION					
DI	VISION DIRECTOR					
CC	ONTACT PERSON					
AΓ	DDRESS					
PH	IONE NO FAX NO E-MAIL					
NA	DDRESSE-MAILE-MAILE-MAILE-MAIL					
PR	ESENTER E-MAIL					
	INSTRUCTIONS					
Α.	Please make copies of this form for future use.					
В.	Please answer each question completely using layman terms. You may use additional sheets if necessary.					
	C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this D. Rule" below.					
Е.	Submit two (2) copies of the Questionnaire and Financial Impact Statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:					
	Jessica C. Sutton					
	Administrative Rules Review Section					
	Arkansas Legislative Council					
	Bureau of Legislative Research One Capitol Mall, 5th Floor					
	Little Rock, AR 72201					
***						
1.	What is the short title of this rule?					
2.	What is the subject of the proposed rule?					
3.	Is this rule required to comply with a federal statute, rule, or regulation? Yes No					
	If yes, please provide the federal rule, regulation, and/or statute citation.					
4.	Was this rule filed under the emergency provisions of the Administrative Procedure Act?					
	Yes No					
	If yes, what is the effective date of the emergency rule?					
	When does the emergency rule expire?					
	Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure  Act? Yes No					

Does this repeal an existing rule? Yes No If yes, a copy of the repealed rule is to be included with completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule an explanation of what the rule does.		
	Is this an amendment to an existing rule? Yes No If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."	
6.	Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation.	
7.	What is the purpose of this proposed rule? Why is it necessary?	

5. Is this a new rule? Yes No If yes, please provide a brief summary explaining the rule.

8.	by Arkansas Code § 25-19-108(b).				
9.	Will a public hearing be held on this proposed rule? Yes No If yes, please complete the following:				
	Date:				
	Time:				
	Place:				
10. When does the public comment period expire for permanent promulgation? (Must provide a date.)					
11.	11. What is the proposed effective date of this proposed rule? (Must provide a date.)				
12.	Please provide a copy of the notice required under Ark. Code Ann. § 25-15-204(a), and proof of the publication of said notice				
13.	Please provide proof of filing the rule with the Secretary of State as required pursuant to Ark. Code Ann. § 25-15-204(e).				
14.	Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.				

# FINANCIAL IMPACT STATEMENT

# PLEASE ANSWER ALL QUESTIONS COMPLETELY

DI	EPARTMENT
DI	IVISION
PE	ERSON COMPLETING THIS STATEMENTELEPHONE NOFAX NOEMAIL:
Γŀ	ELEPHONE NO FAX NO EMAIL:
	o comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file to (2) copies with the Questionnaire and proposed rules.
SH	HORT TITLE OF THIS RULE
1.	Does this proposed, amended, or repealed rule have a financial impact? Yes No
2.	Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and
	information available concerning the need for, consequences of, and alternatives to the rule?
	Yes No
3.	In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly
	rule considered? Yes No
	If an agency is proposing a more costly rule, please state the following:
	a) How the additional benefits of the more costly rule justify its additional cost;
	b) The reason for adoption of the more costly rule;
	c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please
	explain; and
	d) Whether the reason is within the scope of the agency's statutory authority, and if so, please explain.

4.	If the purpose of this rule is to implement a federal rule or regulation, please state the following:			
	a) What is the cost to implement the fed <u>Current Fiscal Year</u>	eral rule or regulation? <u>Next Fiscal Year</u>		
	General Revenue Federal Funds Cash Funds	Federal Funds		
	Cash Funds Special Revenue Other (Identify)	Cash Funds Special Revenue Other (Identify)		
	Total	Total		
	b) What is the additional cost of the state rule?			
	Current Fiscal Year	Next Fiscal Year		
	General Revenue Federal Funds Cash Funds	General Revenue Federal Funds Cash Funds		
	Special Revenue Other (Identify)	Special Revenue Other (Identify)		
	Total	Total		
5.	What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.			
	Current Fiscal Year	Next Fiscal Year		
	<b>\$</b>	<b>\$</b>		
6.	What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.			
	Current Fiscal Year	Next Fiscal Year		
	\$	\$		

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
  - (a) justifies the agency's need for the proposed rule; and
  - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
  - (a) the rule is achieving the statutory objectives;
  - (b) the benefits of the rule continue to justify its costs; and
- (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

#### SUMMARY FOR DEPARTMENT OF EDUCATION PROPOSED AMENDMENTS TO RULES GOVERNING THE SUCCEED SCHOLARSHIP PROGRAM

Amendments to these Rules are necessary as a result of Acts 327, 637, and 894 of 2017, and Acts 548 and 1078 of 2019.

- Definitions were added for "foster care", "foster parent", "IEP", and "individualized service plan".
- Sec. 4.01.1.1.2 was added to reflect that a resident superintendent may waive the student eligibility requirement that the student have attended public school for one year.
- Sec. 4.01.2 was amended to add eligibility for students in foster care, students who have been medically diagnosed by a licensed physician as a child with a disability, and students who have an individualized service plan.
- Sec. 4.04 was added to include the twenty (20) scholarship maximum for students in foster care.
- Sec. 4.05 was added to incorporate the change that students in foster care may continue to receive the scholarship even after achieving permanency through adoption, reunification, or permanent guardianship.
- Sec. 5.02.1 was amended to include the provision that a private school may participate in the program prior to receiving accreditation if all applicable conditions are met.
- Sec. 5.04.3 was added to list the information an eligible private school must provide in order to participate in the program.
- Revisions were made to the application, transfer, funding, and recertification processes to ensure a smoother and more efficient operation of the program.