HLS 10RS-1416 ORIGINAL

Regular Session, 2010

HOUSE BILL NO. 420

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BY REPRESENTATIVE LEGER

SCHOOLS/CHARTER: Provides relative to charter school funding

1 AN ACT 2 To amend and reenact R.S. 17:3995(A)(1) through (3), relative to charter school funding; 3 to provide relative to the use of certain local revenues for computing and allocating 4 the per pupil amount provided to all charter schools; to remove provisions requiring 5 certain minimum per pupil funding amounts pursuant to the most recent legislatively 6 approved minimum foundation program formula; to provide an effective date; and 7 to provide for related matters. 8 Be it enacted by the Legislature of Louisiana: 9 Section 1. R.S. 17:3995(A)(1) through (3) are hereby amended and reenacted to read 10 as follows: 11 §3995. Charter school funding 12 A.(1) Except as otherwise provided by this Subsection, for the purpose of 13 funding, a Type 1, Type 3, and Type 4 charter school shall be considered an 14 approved public school of the local school board entering into the charter agreement 15 and shall receive a per pupil amount each year from the local school board based on 16 the October first membership count of the charter school. Except as otherwise 17 provided by this Subsection, Type 2 charter schools shall receive a per pupil amount 18 each year from the state Department of Education using state funds specifically 19 provided for this purpose. Type 2 charter schools authorized by the State Board of

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Elementary and Secondary Education after July 1, 2008, shall receive a per pupil

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1 amount each year as provided in the Minimum Foundation Program approved 2 formula. The per pupil amount provided to a Type 1, 2, 3, or 4 charter school shall 3 be computed annually and shall be equal to no less than the per pupil amount 4 received by the school district in which the charter school is located from the 5 following sources based on the district's October first membership count: 6 (a) The state-funded per pupil allocation received by the district pursuant to 7 the most recent legislatively approved minimum foundation program formula 8 resolution, including all levels. 9 (b) Local revenues received during the prior current year by the school 10 district from the following sources, excluding any portion which has been 11 specifically dedicated by the legislature or by voter approval to capital outlay or debt 12 service: 13 (i) Sales and use taxes, less any tax collection fee paid by the school district. 14 (ii) Ad valorem taxes, less any tax collection fee paid by the school district. 15 (iii) Earnings from sixteenth section lands owned by the school district. 16 (2)(a) Initial allocation of the per pupil amount required in Paragraph (1) of 17 this Subsection shall be based on estimates provided by the state Department of 18 Education using the most recent projected local revenue data and projected pupil 19 counts available. Allocations shall be adjusted during the year to reflect actual pupil 20 counts and actual prior current year local revenue collections. 21 (b) In order to provide for adjustments in allocations made to Type 2 charter 22 schools as a result of changes in enrollment, the State Board of Elementary and 23 Secondary Education may provide annually for a February fifteenth pupil 24 membership count to reflect any changes in pupil enrollment that may occur after 25 October first of each year. Any allocation adjustment made pursuant to this

Subparagraph shall not be retroactive and shall be applicable for the period from

March first through the end of the school year. The provisions of this Subparagraph

relative to an allocation adjustment shall not be applicable to any Type 2 charter

1 school that has had an increase or decrease in student enrollment of five percent or 2 less in any school year for which the February fifteenth membership count occurs. 3 (3) Except as provided in Paragraph (4), in no case shall the per pupil 4 amount required in Paragraph (1) of this Subsection be less than the combined state 5 and local per pupil allocation for the district in which the charter school is located as defined by the most recent legislatively approved minimum foundation program 6 7 formula resolution, including all levels. 8 9 Section 2. This Act shall become effective on July 1, 2010; if vetoed by the governor 10 and subsequently approved by the legislature, this Act shall become effective on July 1, 11 2010, or on the day following such approval by the legislature, whichever is later.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Leger HB No. 420

Abstract: Relative to the use of certain local revenues for computing and allocating the per pupil amount provided to all charter schools, specifies use of current year rather than prior year amounts in such computations and allocations. Also deletes provision requiring certain minimum per pupil funding pursuant to the most recent legislatively approved MFP formula.

<u>Present law</u> provides that for funding purposes, Types 1, 3, and 4 charter schools shall be considered approved public schools of the local school board entering into the charter agreement and shall receive a per pupil amount each year from the local school board based on the October first membership count of the charter school. Provides that Type 2 charter schools shall receive a per pupil amount each year from the state Department of Education using state funds specifically provided for this purpose.

Proposed law retains present law.

<u>Present law</u> specifies that the per pupil amount provided to all charter schools shall be computed annually and shall be equal to no less than the per pupil amount received by the school district in which the charter school is located from the following sources based on the district's October first membership count:

- (1) The state-funded per pupil allocation received by the district pursuant to the most recent legislatively approved minimum foundation program (MFP) formula resolution, including all levels. <u>Proposed law</u> retains <u>present law</u>.
- (2) Local revenues received during the prior year by the school district from the following sources, excluding any portion which has been specifically dedicated by the legislature or by voter approval to capital outlay or debt service:

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- (a) Sales and use taxes, less any tax collection fee paid by the school district.
- (b) Ad valorem taxes, less any tax collection fee paid by the school district.
- (c) Earnings from 16th section lands owned by the school district.

Relative to local revenues, <u>proposed law</u> retains <u>present law</u> except refers to the local revenues received during the <u>current</u> year rather than prior year.

<u>Present law</u> provides that the initial allocation of the per pupil amount required by <u>present law</u> shall be based on estimates provided by the Dept. of Education using the most recent local revenue data and projected pupil counts available. Specifies that allocations shall be adjusted during the year to reflect actual pupil counts and actual prior year local revenue collections.

<u>Proposed law</u> retains <u>present law</u> except refers to the most recent projected local revenue data rather than the most recent local revenue data. Also refers to the actual current year local revenue collections rather than the actual prior year local revenue collections.

<u>Present law</u> specifies that in order to provide for adjustments in allocations made to Type 2 charter schools as a result of changes in enrollment, the State Board of Elementary and Secondary Education (BESE) may provide annually for a Feb. 15th pupil membership count to reflect any changes in pupil enrollment that may occur after Oct. 1st of each year. Provides that any such allocation adjustment shall not be retroactive and shall be applicable for the period from March 1 through the end of the school year. Provides also that the allocation adjustment shall not be applicable to any Type 2 charter school that has had an increase or decrease in student enrollment of 5% or less in any school year for which the Feb. 15th membership count occurs.

Proposed law retains present law.

<u>Present law</u> provides (except as specified in <u>present law</u> relative to certain administrative overhead costs) that in no case shall the per pupil amount required by <u>present law</u> be less than the combined state and local per pupil allocation for the district in which the charter school is located as defined by the most recent legislatively approved MFP formula resolution, including all levels.

Proposed law deletes present law.

Effective July 1, 2010.

(Amends R.S. 17:3995(A)(1)-(3))