

Regular Session, 2010

HOUSE BILL NO. 420

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) and (2) and to repeal R.S. 17:3995(A)(3), relative
3 to charter school funding; to provide relative to the use of certain local revenues for
4 computing and allocating the per pupil amount provided to all charter schools; to
5 provide exceptions; to remove provisions requiring certain minimum per pupil
6 funding amounts pursuant to the most recent legislatively approved minimum
7 foundation program formula; to provide an effective date; and to provide for related
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 17:3995(A)(1) and (2) are hereby amended and reenacted to read as
11 follows:

12 §3995. Charter school funding

13 A.(1) Except as otherwise provided by this Subsection, for the purpose of
14 funding, a Type 1, Type 3, and Type 4 charter school shall be considered an
15 approved public school of the local school board entering into the charter agreement
16 and shall receive a per pupil amount each year from the local school board based on
17 the October first membership count of the charter school. Except as otherwise
18 provided by this Subsection, Type 2 charter schools shall receive a per pupil amount
19 each year from the state Department of Education using state funds specifically
20 provided for this purpose. Type 2 charter schools authorized by the State Board of

1 Elementary and Secondary Education after July 1, 2008, shall receive a per pupil
2 amount each year as provided in the Minimum Foundation Program approved
3 formula. The per pupil amount provided to a Type 1, 2, 3, or 4 charter school shall
4 be computed annually and shall be equal to no less than the per pupil amount
5 received by the school district in which the charter school is located from the
6 following sources based on the district's October first membership count:

7 (a) The state-funded per pupil allocation received by the district pursuant to
8 the most recent legislatively approved minimum foundation program formula
9 resolution, including all levels.

10 (b)(i) Local revenues received during the prior year by the school district
11 from the following sources; ~~excluding any portion which has been specifically~~
12 ~~dedicated by the legislature or by voter approval to capital outlay or debt service:~~

13 (i)(aa) Sales and use taxes, less any tax collection fee paid by the school
14 district.

15 (ii)(bb) Ad valorem taxes, less any tax collection fee paid by the school
16 district.

17 (iii)(cc) Earnings from sixteenth section lands owned by the school district.

18 (ii) For the purposes of this Subparagraph, local revenues shall exclude any
19 portion which has been specifically dedicated by the legislature or by voter approval
20 to capital outlay or debt service.

21 (iii) For the purposes of this Subparagraph, local revenues of the Orleans
22 Parish School Board also shall exclude the amounts set forth in R.S.
23 17:1990(C)(2)(a)(iii) until such provisions relative to the specified amounts expire.

24 (c) The provisions of this Paragraph permitting the calculation of the per
25 pupil amount to be provided to a Type 1, 2, 3, or 4 charter school to exclude any
26 portion of local revenues specifically dedicated by the legislature or by voter
27 approval to capital outlay or debt service, shall be applicable only to a charter school
28 housed in a facility or facilities provided by the district in which the charter school
29 is located.

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 specified local revenues for computing and allocating the per pupil amount provided to Types 1, 2, 3, or 4 charter schools, provides certain limitations and excludes certain amounts. Also repeals provision requiring certain minimum per pupil funding pursuant to the most recent legislatively approved MFP formula.

Present law 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.

Present law 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.
- (2) Local revenues received during the prior year by the school district from the following sources:
 - (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.

Proposed law retains present law.

Relative to local revenues received during the prior year from the specified sources (see No. 2 above), present law provides that such revenues shall exclude any portion which has been specifically dedicated by the legislature or by voter approval to capital outlay and debt service.

Proposed law retains present law except to provide that such exclusion shall be applicable only to a charter school housed in a facility or facilities provided by the district in which the charter school is located.

Relative to local revenues received during the prior year from the specified sources (see No. 2 above), proposed law additionally provides that such revenues received by the Orleans Parish School Board also shall exclude certain amounts set forth in R.S. 17:1990(C)(2)(a)(iii) (as contained in Senate Bill No. 240 of the 2010 RS). Proposed law

specifies that this additional proposed law, provision (R.S. 17:3995(A)(1)(b)(iii)) shall become effective if the Senate bill is enacted and become effective.

Present law provides that the initial allocation of the per pupil amount required by present law 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.

Proposed law retains present law except refers to the most recent projected prior year local revenue data and projected pupil counts available rather than the most recent local revenue data and projected pupil counts available.

Present law 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.

Present law provides (except as specified in present law, relative to certain administrative overhead costs) that in no case shall the per pupil amount required by present law 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 repeals present law.

Effective July 1, 2010.

(Amends R.S. 17:3995(A)(1) and (2); Repeals R.S. 17:3995(A)(3))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Education to the original bill.

1. Relative to local revenues, changed proposed law to retain present law reference to prior year revenues rather than to refer to current year revenues.
2. Relative to local revenues, added proposed law provision to provide that present law exclusion of any portion which has been dedicated to capital outlay or debt service shall be applicable only to a charter school housed in a facility provided by the district in which the charter school is located..
3. Relative to local revenues, added proposed law provision relative to excluding certain amounts from the local revenues of the Orleans Parish School Board. Also added language relative to such provision being effective.
4. Relative to the initial allocation of the per pupil amount and certain estimates by the Dept. of Education, changed proposed law to refer to using the most recent projected prior year local revenue data rather than the most recent projected local revenue data..

5. Relative to adjustments to initial allocations, changed proposed law to retain present law reference to actual prior year local revenue collections rather than actual current year local revenue collections.

House Floor Amendments to the engrossed bill.

1. Made technical changes only.