

Regular Session, 2013

# ACT No. 330

HOUSE BILL NO. 661

BY REPRESENTATIVES WESLEY BISHOP AND BROSSETT

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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AN ACT

To amend and reenact R.S. 17:3973(2)(a) and (b)(v)(aa), 3991(B)(1)(d) and (23) and (H), 3995(A)(1)(introductory paragraph) and (c) and (4)(a) and (B), and 3996(C) and (G) and to enact R.S. 17:3973(2)(b)(v)(dd) and (vii) and 3995(A)(3), (H), (I), and (J), relative to charter schools; to create a Type 3B charter school; to provide relative to charter school funding including funding for Type 3B charter schools; to provide for the applicability of certain provisions to Type 3B schools including student enrollment, acquired assets, and budget submission; to provide that a Type 5 charter school shall be considered the local education agency for funding purposes; to provide relative to administrative fees charged to certain charter schools; to provide for rules adopted by the State Board of Elementary and Secondary Education; to provide for definitions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 17:3973(2)(a) and (b)(v)(aa), 3991(B)(1)(d) and (23) and (H), 3995(A)(1)(introductory paragraph) and (c) and (4)(a) and (B), and 3996(C) and (G) are hereby amended and reenacted and R.S. 17:3973(2)(b)(v)(dd) and (vii) and 3995(A)(3), (H), (I), and (J) are hereby enacted to read as follows:

§3973. Definitions

As used in this Chapter, the following words, terms, and phrases shall have the meanings ascribed to them in this Section except when the context clearly indicates a different meaning:

\* \* \*

(2)(a) "Charter school" means an independent public school that provides a program of elementary or secondary education, or both, established pursuant to and

1 in accordance with the provisions of this Chapter to provide a learning environment  
2 that will improve pupil achievement. Nothing in this Chapter shall be construed to  
3 prohibit a Type 1, Type 1B, Type 2, Type 3, Type 3B, or Type 4 charter school from  
4 having a residential component.

5 (b)

6 \* \* \*

7 (v)(aa) Type 5, which means a preexisting public school transferred to the  
8 Recovery School District as a school determined to be failing pursuant to R.S.  
9 17:10.5 or 10.7 and operated as the result of and pursuant to a charter between a  
10 nonprofit corporation and the State Board of Elementary and Secondary Education;  
11 ~~or between a nonprofit corporation and a city, parish, or other local school board or~~  
12 ~~other public entity in the case of the renewal of a Type 5 charter of a school that has~~  
13 ~~been transferred back to the jurisdiction of the local school board or other public~~  
14 ~~entity pursuant to R.S. 17:10.5(C).~~ The chartering authority shall review each Type  
15 5 charter proposal in compliance with the Principles and Standards for Quality  
16 Charter School Authorizing as promulgated by the National Association of Charter  
17 School Authorizers. Except as otherwise provided in R.S. 17:10.7 or 1990, and  
18 notwithstanding the provisions of R.S. 17:3991(B)(1), within such Type 5 charter  
19 school, only pupils who would have been eligible to enroll in or attend the  
20 preexisting school under the jurisdiction of the city, parish, or other local public  
21 school board or other public school entity prior to its transfer to the Recovery School  
22 District may attend. However, all such pupils shall be eligible to attend  
23 notwithstanding any other provision of this Chapter to the contrary.

24 \* \* \*

25 (dd) A Type 5 charter school that is transferred from the Recovery School  
26 District to the administration and management of the transferring local school system  
27 pursuant to R.S. 17:10.5 or 10.7 and rules adopted by the state board shall no longer  
28 be determined to be failing and shall be converted to a Type 3B charter school.

29 \* \* \*

1                    (vii) Type 3B, which means a former Type 5 charter school transferred from  
2                    the Recovery School District to the administration and management of the  
3                    transferring local school system pursuant to R.S. 17:10.5 or 10.7 and rules adopted  
4                    by the state board. The local school board shall permit a Type 3B charter school to  
5                    remain in the facility in which it was located at the time of transfer or shall provide  
6                    the Type 3B charter school with another facility for use. Pursuant to rules and  
7                    regulations adopted by the state board, the state board may require a Type 3B charter  
8                    school to participate in unified processes common to other public schools located in  
9                    the same parish or school district boundaries that are critical to providing equity and  
10                    access to students and families, such as processes for student enrollment, expulsion,  
11                    and transportation.

\*       \*       \*

§3991. Charter schools; requirements; limitations; renewal; amendment; revocation

\*       \*       \*

B. Each proposed charter shall contain or make provision for the following:

(1)

\*       \*       \*

(d) The provisions of ~~R.S. 17:3991(B)(1) and (3)~~ this Paragraph and Paragraph (3) of this Subsection shall not apply to Type 5 or 3B charters.

\*       \*       \*

(23) Provisions regarding the security of the school. If a local school board provides security services for its schools then it shall make such services available to any of its ~~type~~ Type 1, 3, ~~3B~~, or 4 charter schools on terms as provided within the charter agreement.

\*       \*       \*

H. Any assets acquired by a Type 1, 1B, 2, 3, ~~3B~~, or 5 charter school are the property of that charter school for the duration of that school's charter agreement. Any assets acquired by a Type 4 charter school are the property of the local school board. If the charter agreement of any Type 1, 1B, 2, 3, ~~3B~~, or 5 charter school is revoked or the school otherwise ceases to operate, all assets purchased with any

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 public funds become the property of the chartering authority. Assets that become the  
2 property of a local charter authorizer pursuant to this Subsection shall be used solely  
3 for purposes of operating charter schools. Charter schools are to maintain records  
4 of any assets acquired with any private funds which remain the property of the  
5 nonprofit group operating the charter school.

6 \* \* \*

7 §3995. Charter school funding

8 A.(1) For the purpose of funding, a Type 1, Type 3, Type 3B, and Type 4  
9 charter school shall be considered an approved public school of the local school  
10 board entering into the charter agreement and shall receive a per pupil amount each  
11 year from the local school board based on the October first membership count of the  
12 charter school. Type 1B and Type 2 charter schools shall receive a per pupil amount  
13 each year authorized by the state board each year as provided in the ~~Minimum~~  
14 ~~Foundation Program~~ minimum foundation program approved formula. The per pupil  
15 amount provided to a Type 1, 1B, 2, 3, 3B, or 4 charter school shall be computed  
16 annually and shall be equal to no less than the per pupil amount received by the  
17 school district in which the charter school is located from the following sources  
18 based on the district's October first membership count:

19 \* \* \*

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

26 \* \* \*

27 (3) Notwithstanding Paragraph (1) of this Subsection, a district with one or  
28 more Type 3B charter schools shall distribute minimum foundation program formula  
29 funds to each Type 1, 3, 3B, and 4 charter school using the weighted allocations  
30 provided for in the most recently adopted minimum foundation program formula,

1 except that any school board in a parish that contains a municipality with a  
2 population of three hundred thousand or more persons according to the latest federal  
3 decennial census shall use the allocation method provided for in this Paragraph no  
4 earlier than the 2018-2019 fiscal year for all Type 1 and 3 charter schools authorized  
5 by the school board and in operation prior to the 2013-2014 school year. Until that  
6 time, those schools shall be funded as provided in Paragraph (1) of this Subsection.  
7 For all other Type 1, 3, and 4 charter schools in such a parish, the school board may  
8 request the use of a differentiated distribution methodology to be approved by the  
9 state Department of Education prior to implementation.

10 (4)(a)(i) The state board, a local school board, and a local charter authorizer  
11 may annually charge each charter school they authorize a fee in an amount equal to  
12 two percent of the total per pupil amount as defined by this Subsection that is  
13 received by a charter school for administrative overhead costs incurred by the  
14 chartering authority for considering the charter application and any amendment  
15 thereto, providing monitoring and oversight of the school, collecting and analyzing  
16 data of the school, and for reporting on school performance. Such fee amount shall  
17 be withheld from the per pupil amount in monthly increments and shall not be  
18 applicable to any federal money or grants received by the charter school.  
19 Administrative overhead costs shall not include any cost incurred by the chartering  
20 authority to provide purchased services to the charter school. As provided by  
21 Subparagraph (b) of this Paragraph, a chartering authority or the Recovery School  
22 District, if applicable, may provide other services for a charter school and charge the  
23 actual cost of providing such services, but no such arrangement shall be required as  
24 a condition for authorizing the charter school.

25 (ii) The state Department of Education may withhold and retain from state  
26 funds otherwise allocated to a local public school system through the minimum  
27 foundation program formula an amount equal to one quarter of one percent of the fee  
28 amount charged to a Type 3B charter school pursuant to Item (i) of this

1           Subparagraph for administrative costs incurred by the department for providing  
2           financial oversight and monitoring of such charter schools.

3   \*       \*       \*

4                        B. For each pupil enrolled in a charter school who is entitled to special  
5           education services, any state special education funding beyond that provided in the  
6           minimum foundation program and any federal funds for special education for that  
7           pupil that would have been allocated for that pupil shall be allocated to the charter  
8           school which the pupil attends. ~~Any Type 2 charter school shall be considered the~~  
9           ~~local education agency for the purposes of any special education funding or statutory~~  
10          ~~definitions, while the local school board shall remain the local education agency for~~  
11          ~~any Type 1, 3, or 4 charter school.~~

12   \*       \*       \*

13                        H. Any Type 1B, 2, or 5 charter school shall be considered the local  
14           education agency for funding purposes and statutory definitions pursuant to rules  
15           adopted by the state board.

16                        I. The local school board shall remain the local education agency for any  
17           Type 1, 3, or 4 charter school.

18                        J. A Type 5 charter school shall have the option to remain its own local  
19           education agency for funding purposes and statutory definitions upon conversion to  
20           a Type 3B charter school pursuant to rules adopted by the state board. Pursuant to  
21           this Subsection, the state board shall adopt rules for a Type 3B charter school  
22           considered its own local education agency and such rules shall:

23                           (1) Provide for the delineation of financial and programmatic obligations of  
24           the charter school related to the receipt of funds as a local education agency.

25                           (2) Authorize the state superintendent of education to rescind the local  
26           education agency status of a charter school should the charter school fail to meet the  
27           financial and programmatic obligations approved by the state board pursuant to this  
28           Subsection.

29           §3996. Charter schools; exemptions; requirements

30   \*       \*       \*

1           C. A charter school established and operated in accordance with the  
 2 provisions of this Chapter shall comply with state and federal laws and regulations  
 3 otherwise applicable to public schools with respect to civil rights and individuals  
 4 with disabilities. ~~Any Type 1B, Type 2, or Type 5 charter school shall be considered~~  
 5 ~~the local education agency for the purposes of any special education funding or~~  
 6 ~~statutory definitions, while the local school board shall remain the local education~~  
 7 ~~agency for any Type 1, 3, or 4 charter school.~~

\* \* \*

9           G. All charter schools established and operated in accordance with the  
 10 provisions of this Chapter shall comply with the provisions of R.S. 39:1301 through  
 11 1315. Each Type 1, 3, 3B, and 4 charter school annually shall submit its budget to  
 12 the local school board that approved its charter, and such board shall submit the  
 13 charter school's budget to the state superintendent of education in accordance with  
 14 the provisions of R.S. 17:88. Each Type 1B charter school annually shall submit its  
 15 budget to its authorizer. Each Type 2 and Type 5 charter school annually shall  
 16 submit its budget directly to the state superintendent of education.

\* \* \*

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_