

First Extraordinary Session, 2005

SENATE BILL NO. 49

BY SENATORS DUPLESSIS AND SCHEDLER AND REPRESENTATIVE CRANE
AND SENATORS BARHAM, BOASSO, CAIN, CHAISSON,
DARDENNE, DUPRE, ELLINGTON, B. GAUTREAUX, N.
GAUTREAUX, HEITMEIER, HOLLIS, LENTINI, MCPHERSON,
MICHOT, MOUNT, QUINN, ROMERO, SMITH, THEUNISSEN AND
ULLO

SCHOOLS. Provides for the transference, operation, and management of certain schools into the recovery district, to expand the authority of the recovery district, and to provide for the duration of the transfer. (gov sig)

AN ACT

To amend and reenact R.S. 17:1990(A), (B)(1), (2)(a), and (4), (C)(1)(a), (2)(a), and (3), 3973(2)(b)(v)(aa), 3982(A)(1), and 3983(A)(2)(a) and to enact R.S. 17:10.7, 1990(F)(3), 3973(2)(b)(v)(cc), 3983(A)(1)(g), and 3997(A)(1)(c), relative to the Recovery School District; to provide for the transference of certain schools to the district; to provide for the operation and management of such schools; to require the development and approval of a plan for the operation of all schools transferred and to specify the contents of such plan; to provide for the duration of the transfer and to provide for the continuation of the transfer; to require the recovery district to report to the state board and to provide for the contents of that report; to provide relative to the Recovery School District; to subject the administration of the district to the approval of the State Board of Elementary and Secondary Education; to authorize the recovery district to manage and retain certain funding, including the authorization for retaining fund balances; to specify that the expenditure of certain funds by the recovery district is subject to the requirements of the approved Minimum Foundation Program formula; to provide with regard to the authority of the district to contract with for-profit providers; to provide for the exercise of limited

rights of ownership over property of transferred schools by the recovery district; to provide for the transfer of certain funding to the recovery district; to provide for the process for the transference of such funds and for a limitation on the transference of such funds; to provide for the expenditure of certain retained funds by certain city, parish, or other local public school systems; provides for the eligibility of a student to attend school operated under the jurisdiction of the Recovery School District; provides for the obligations of the recovery district in providing services to students; to expand the definition of type 5 charters to include charters involving certain schools transferred to the recovery district; to provide standards for the consideration of type 5 charter proposals; to prohibit members of certain school boards from also being members of the governing or management boards of certain Type 5 charter schools; to authorize the governing authority of a charter school to enter into collective bargaining for the employees; to prohibit certain local school boards from considering or acting on type 1 charter applications under certain circumstances; to authorize the state Department of Education to enter into a charter to operate a charter school under certain circumstances; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 17:1990(A), (B)(1), (2)(a), and (4), (C)(1)(a), (2)(a), and (3), 3973(2)(b)(v)(aa), 3982(A)(1) , and 3983(A)(2)(a) are hereby amended and reenacted and R.S. 17:10.7, 1990(F)(3), 3973(2)(b)(v)(cc), 3983(A)(1)(g), and 3997(A)(1)(c) are hereby enacted to read as follows:

§10.7. School and district accountability; schools in districts in academic crisis;

transfer to Recovery School District

A.(1) Each elementary or secondary school that participates in a spring cycle of student testing and has a baseline school performance score below the state average and each alternative school, established pursuant to R.S. 17:100.5, that provides educational services to students a majority of whose test scores are reported back to such an elementary or secondary school under a uniform

1 statewide program of school accountability established pursuant to rules
2 adopted under authority of law by the State Board of Elementary and
3 Secondary Education, referred to in this Section as "the state board," that is a
4 school in or granted a charter by a city, parish, or other local public school
5 system that has been declared to be academically in crisis, pursuant to R.S.
6 17:10.6 and that has at least one school eligible to transfer to the Recovery
7 School District pursuant to R.S. 17:10.5, shall be designated a failing school and
8 shall be transferred to the jurisdiction of the Recovery School District
9 established in R.S. 17:1990. The Recovery School District, referred to in this
10 Section as "the recovery district," shall provide all educational services
11 required of any city, parish, or other local public school system in order to meet
12 the educational needs of all students residing in the jurisdiction of the
13 transferring local school system who were attending a transferred school or who
14 would have been eligible to attend such transferred school because of the
15 residential location of the student or as the result of any other option or
16 program available to the student.

17 (2) On and after November 15, 2008, no additional schools shall be
18 transferred to the jurisdiction of the Recovery School District pursuant to this
19 Section.

20 B.(1) Any school transferred to the recovery district pursuant to this
21 Section shall be reorganized as necessary and operated by the recovery district,
22 pursuant to its authority, in whatever manner is determined by the
23 administering agency of the recovery district to be most likely to improve the
24 academic performance of each student in the school.

25 (2)(a)(i) The recovery district, as directed by its administering agency,
26 shall manage the schools so transferred in a fashion that provides the best
27 educational opportunity to all students who attended or were eligible to attend
28 such schools without regard to the attendance zones related to such schools
29 prior to the transfer. The authority provided in this Paragraph includes the

1 authority to determine and act on which schools should be operated, which
2 schools should be closed, which schools should be relocated or rebuilt, and what
3 range of grades should be operated in each school.

4 (ii) However, the recovery district shall provide for and insure that
5 schools of appropriate grade that have open enrollment policies are operating
6 and available for the enrollment of students in reasonable proximity to the
7 neighborhoods where concentrations of students reside. The recovery district
8 shall use the best information available to make the determinations of the
9 location of such neighborhoods. The requirements of this Item shall be reflected
10 in all planning, presenting, reviewing, and approving required in Subparagraph
11 (b) of this Paragraph.

12 (b)(i) Within six months after the transfer of a school to the recovery
13 district, the recovery district shall develop and present to the state board, for
14 its approval, a plan for the operation of all schools transferred. The plan shall
15 be annually updated and reviewed by the state board.

16 (ii) The plan required in this Subparagraph shall address each of the
17 following:

18 (aa) The educational needs of all students.

19 (bb) The number and location of schools to be operated to provide
20 appropriate educational services to all students. This plan element shall include
21 provision for changes in the size of the student population being served.

22 (cc) A method for maintaining clear communication among interested
23 parties, including the recovery district, the Louisiana Recovery Authority, the
24 chief executive officer of the governing authority of the relevant municipality
25 or parish, the parents and guardians of children for whom the recovery district
26 is required to provide educational services, and the city, parish, or other local
27 public school board from which schools were transferred.

28 (iii) The requirements of this Subparagraph shall not preclude the
29 operation of a limited number of schools prior to completion and approval of

1 the required plan provided that such schools are operated in direct response to
2 the present needs of students and provided that the operation of such schools is
3 approved by the state board after a review by the board of the data presented
4 by the recovery district supporting the operation of the school and review and
5 consideration by the board of the efforts made by the recovery district to seek
6 and consider input from the community and its leaders and the input gained
7 from those efforts.

8 (3) The recovery district shall make an annual report to the House and
9 Senate committees on education concerning the status, management, and
10 operation of any school transferred to the recovery district pursuant to the
11 provisions of this Section.

12 C.(1) The recovery district shall retain jurisdiction over any school
13 transferred to it for a period of not less than five school years not including the
14 school year in which the transfer occurred if the transfer occurred during a
15 school year.

16 (2)(a) No later than nine months prior to the expiration of the five-year
17 period, the recovery district shall make a report to the state board.

18 (b) The report shall include at a minimum each of the following
19 elements:

20 (i) The status of each school transferred, the nature of its faculty and
21 administration, the demographics and size of its student body, its organizational
22 and management structure, whether there has been improvement in the student
23 academic performance and, if so, how much and, if not, why not.

24 (ii) A recommendation as to whether the school should be:

25 (aa) Continued in the recovery district pursuant to its reported
26 operational status.

27 (bb) Continued in the recovery district with a change in its operational
28 status and the nature of the recommended change.

29 (cc) Closed and the reasons therefor.

(dd) Returned to the administration and management of the transferring system with proposed stipulations and conditions for the return.

(3) No later than six months prior to the expiration of the five-year period, the state board shall take action on the recommendations of the recovery district. Any action that results in an affirmative agreement to maintain the school in the recovery district shall retain the school in the recovery district for an additional five-year period, unless a lesser time is adopted by the state board. The report and the action required in this Paragraph shall occur no later than six months prior to each period of continuation.

D. At the time of the transfer of a school to the recovery district, the parent or guardian with responsibility for decisions regarding the education of any student attending a transferred school or any student who would be assigned to attend a transferred school shall be able to continue to have their child be enrolled in and attend a school under the jurisdiction of the recovery district or may exercise an option, if one is made available, by the city, parish, or other local public school board from which the school is being transferred to enroll in or attend another school operated by the school board.

* * *

§1990. Recovery School District; creation; governance; operation

A.(1) The Recovery School District, referred to as the "school district" or the "district", is hereby established to provide an appropriate education for children attending any public elementary or secondary school operated under the jurisdiction and direction of any city, parish, or other local public school board or any other public entity, referred to in this Section as "the prior system", which has been transferred to its jurisdiction pursuant to R.S. 17:10.5 **or 10.7**.

(2) The school district shall be administered by the state Department of Education, **subject to the approval of the State Board of Elementary and Secondary Education, referred to in this Section as "the state board".**

B.(1)(a) The school district shall be considered an intermediate educational

1 unit, subject to the limitations of such units which shall include no authority to levy
2 a tax, but which ~~may~~ shall include authority to seek, ~~and~~ expend, manage, and
3 retain federal funding and grant funding and to otherwise seek, obtain, ~~and~~ expend,
4 manage, and retain funding with all the same authority of any city, parish, or other
5 local public school board or other public entity operating a public school, including
6 the right to maintain and manage fund balances.

7 (b) The expenditure of funds shall be subject to the requirements of the
8 approved Minimum Foundation Program formula that apply to city, parish, or
9 other local public school system and shall be subject to audit in the same
10 manner.

11 (2)(a) The school district may provide for the supervision, management, and
12 operation of a school placed under its jurisdiction and receive, control, and expend
13 the local, state, and federal funding attributable to that school, with all the same
14 power and authority as the prior system from which it was transferred subject to the
15 requirements of this Section, ~~and~~ R.S. 17:10.5 or 10.7, or with any other power and
16 authority otherwise granted to the district by law. As it relates to schools
17 transferred pursuant to R.S. 17:10.7 the authority of the school district is also
18 subject to the approval of the state board of the plan submitted pursuant to R.S.
19 17:10.7(B)(2)(b). The district shall not contract with any for-profit private provider
20 for the general operation of any school under its jurisdiction ~~or for the general~~
21 ~~provision of instructional services in any such school.~~ The district may contract
22 with for-profit providers for any needed services for a school operated under
23 its jurisdiction.

24 * * *

25 (4)(a) The school district shall have the right to use any school building and
26 all facilities and property otherwise part of the school and recognized as part of the
27 facilities or assets of the school prior to its placement in the school district and shall
28 have access to such additional facilities as are typically available to the school, its
29 students, and faculty and staff prior to its placement in the school district. Such use

1 shall be unrestricted, except that the school district shall be responsible for and
2 obligated to provide for routine maintenance and repair such that the facilities and
3 property are maintained in as good an order as when the right of use was acquired
4 by the district. There shall be no requirement for the district to provide for the type
5 of extensive repair to buildings or facilities that would be considered to be a capital
6 expense. Such extensive repairs shall be provided by the governing authority of the
7 city, parish, or other local public school system or other public entity which is
8 responsible for the facility.

9 (b)(i) In the case of the transfer of schools pursuant to R.S. 17:10.7, the
10 school district may, at the discretion of the administering agency and
11 notwithstanding the provisions of Subparagraph (a) of this Paragraph, acquire
12 with the transfer of the schools all the rights and responsibilities of ownership
13 regarding all land, buildings, facilities, and other property that is part of the
14 school being transferred, except that the school district may not transfer the
15 ownership of the land or usable buildings constructed on the land to another
16 save returning the land and such buildings to the stewardship of the prior
17 system. The district may lease land or property, dispose of property other than
18 the land as is necessary to properly manage the operation of the schools, rebuild
19 school buildings, or renovate school buildings.

20 (ii) No building shall be destroyed pursuant to the authority of the school
21 district unless the destruction of the building has been approved by the office
22 of facility planning and control in the division of administration.

23 (iii) In the case that the rights and responsibilities provided for in this
24 Subparagraph are acquired by the school district, the school district, through
25 its administering agency, shall be the exclusive authority to receive, manage,
26 and expend any and all state, local or federal funding dedicated to or available
27 for the purpose of repairing, renovating, or rebuilding, or building a school
28 building or facility and any and all insurance proceeds attributable to damage
29 done to any property, except that portion of such insurance proceeds used to

pay debt owed by the prior system. A portion of all revenues available to the prior system which are dedicated to the repair, maintenance, or capital projects regarding a transferred school whether such revenue is available from tax proceeds, was borrowed, bonded, or was otherwise acquired shall be transferred by the system to the recovery district in an amount equal to the proportion that the number of schools transferred from such school system bears to the total number of schools operated by the school system during the school year immediately proceeding the school year in which the transfer occurred.

C.(1)(a) The state shall annually appropriate sufficient monies to fund any school in the school district created in this Part in an amount equal to but not less than the school's ~~October first~~ student membership count times one hundred percent of the state share per student ~~from all levels~~ as provided in the Minimum Foundation Program approved formula for the city, parish, or other local public school system in which each school placed under the jurisdiction of the district is located as contained in the Minimum Foundation Program budget letter approved by the State Board of Elementary and Secondary Education. The appropriation shall be made to the administering agency for the district and may be expended by the agency for the provision of ~~educational~~ services to students in the district.

* * *

(2)(a)(i) In addition to the appropriation required in Paragraph (1) of this Subsection, any city, parish, or other local public school board which had jurisdiction of a school prior to its transfer to this district annually shall ~~either, (i) Allocate~~ allocate and transfer to the school district an amount of money equal to the number of students enrolled in such a school times the local per pupil amount received ~~in the prior year~~ by the school system from all of the following sources as provided in the Minimum Foundation Program approved formula, excluding any portion which has been specifically dedicated by the legislature or by voter approval to capital outlay or debt service or which was actually expended by the school board for

1 facilities acquisition and construction as reported to the state Department of
2 Education:

3 (aa) Sales and use taxes, less any tax collection fee paid by the school
4 system;

5 (bb) Ad valorem taxes, less any tax collection fee paid by the school system;

6 (cc) Earnings from sixteenth section lands owned by the school system; ~~or,~~

7 (ii)(~~aa~~) **Such allocation and transfer shall be accomplished by a**
8 reduction in the amount of state funds otherwise to be allocated to the city, parish,
9 or other local public school system as contained in the Minimum Foundation
10 Program budget letter approved by the State Board of Elementary and Secondary
11 Education equal to the amount provided in ~~Item (i) of this Subparagraph~~ **this**
12 **Paragraph** which reduction shall be allocated to the **school** district.

13 **(bb) In the case that there are insufficient funds available to provide the**
14 **total due the school district under this Paragraph if all state funds are reduced**
15 **and allocated to the school district, the prior system shall transfer a sufficient**
16 **amount of money remaining from the sources provided in Item (i) of this**
17 **Subparagraph to the school district. In the case that the prior system local**
18 **revenues are insufficient to allow for the allocation to the school district and to**
19 **allow the prior system to maintain a minimum balance of ten percent of state**
20 **Minimum Foundation Program funding and ten percent of the local revenues**
21 **listed in Item (i) of this Subparagraph, local revenues otherwise required to be**
22 **allocated to the school district shall be reduced to an amount necessary to allow**
23 **the prior system to maintain such balances. Such maintained minimum**
24 **balances shall be applied firstly to the prior system's retiree health insurance**
25 **costs and secondly to the prior system's board administrative costs.**

26 * * *

27 (3)(~~a~~) Except for administrative costs, monies appropriated to the Recovery
28 School District that are attributable to the transfer of a school from a prior school
29 system and monies allocated or transferred from the prior system to the recovery

district shall be expended solely on the operation of schools transferred from the prior system to the jurisdiction of the district.

(b) Notwithstanding the requirements of Subparagraph (a) of this Paragraph, in the case that schools are transferred pursuant to R.S. 17:10.7 to the school district, monies appropriated to the school district that are attributable to the transfer of the schools from a prior system and monies allocated or transferred from the prior system to the school district shall be expended on the provision of services to the students who were in attendance at such schools or who would have been eligible to attend such schools transferred from the prior system to the jurisdiction of the district without regard to expending amounts on or in any particular school provided that such services are provided in compliance with the requirements of R.S. 17:10.7(B)(2)(b).

* * *

F. * * *

(3) In addition, in the case that schools are transferred to the district pursuant to R.S. 17:10.7 and notwithstanding other requirements of this Subsection, the school district may permit any student eligible to attend any school in the prior system to attend a school operated by the school district in the area of the transferring system.

* * *

§3973. Definitions

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

(2) * * *

(b) Charter schools shall be one of the following types:

* * *

(v)(aa) Type 5, which means a preexisting public school transferred to the Recovery School District pursuant to R.S. 17:10.5 or 10.7 and operated as the result

of and pursuant to a charter between a nonprofit corporation and the State Board of Elementary and Secondary Education, or between a nonprofit corporation and a city, parish, or other local school board or other public entity in the case of the renewal of a Type 5 charter of a school that has been transferred back to the jurisdiction of the local school board or other public entity pursuant to R.S. 17:10.5(C). The chartering authority shall review each type 5 charter proposal in compliance with the Principles and Standards for Quality Charter School Authorizing as promulgated by the National Association of Charter School Authorizers. ~~Notwithstanding~~ Except as otherwise provided in R.S. 17:10.7 or 1990, and notwithstanding the provisions of R.S. 17:3991(B)(1), within such Type 5 charter school, only pupils who would have been eligible to enroll in or attend the preexisting school under the jurisdiction of the city, parish, or other local public school board or other public school entity prior to its transfer to the Recovery School District may attend. However, all such pupils shall be eligible to attend notwithstanding any other provision of this Chapter to the contrary.

* * *

(cc)(aaa) No member of the State Board of Elementary and Secondary Education shall be a member of the governing or management board of any Type 5 charter school. No member of any city, parish, or other local public school board shall be a member of the governing or management board of any Type 5 charter school within the jurisdictional area of such city, parish, or other local public school board.

(bbb) No member of a governing or management board of any Type 5 charter school shall be an elected official as defined by R.S. 42:1102(9). No member of such a board shall have been an elected official for a period of one year prior to appointment to such board.

* * *

§3982. Local school boards; duties

A.(1)(a) Local school boards shall comply with R.S. 17:3983 and shall

1 review and formally act upon each proposed charter within thirty days of its
2 submission and in the order in which submitted. In doing such review, the local
3 school board shall determine whether each proposed charter complies with the law
4 and rules, whether the proposal is valid, complete, financially well-structured, and
5 educationally sound, and whether it offers potential for fulfilling the purposes of this
6 Chapter.

7 (b) Notwithstanding the provisions of Subparagraph (a) of this
8 Paragraph, school boards which govern a local system in academic crisis, as
9 defined in R.S. 17:10.6, shall not consider, review, or act upon charter
10 applications for a type 1 charter school and shall notify the proponents of any
11 pending type 1 charter proposal or any newly submitted type 1 charter proposal
12 that the board is ineligible to act on such applications and that each such
13 application may, therefore, be submitted to the state board as a type 2 proposal
14 pursuant to R.S. 17:3983(A)(2)(a)(ii).

15 * * *

16 §3983. Chartering process by type; eligibility; limitations; faculty approval;
17 parental approval

18 A.(1) Any of the following may form a nonprofit corporation for the purpose
19 of proposing a charter as provided in this Subsection, provided that the group
20 submitting the charter school proposal includes three or more persons holding valid
21 and current Louisiana teaching certificate:

22 * * *

23 (g) The state Department of Education, subject to the approval of the
24 state board.

25 (2)(a)(i) Each proposal for a type 1 or type 3 charter school shall first be
26 made to the local school board with jurisdiction where the school is to be located,
27 except in the case of a local system in academic crisis as provided for in Item (ii)
28 of this Subparagraph, involving the submission of a written proposal. If, after
29 review as required by R.S. 17:3982, the local school board denies the proposal, or

if conditions placed on the proposal by the local school board, as provided in Paragraph B(2) of this Section, are not acceptable to those proposing the charter, then a proposal for a type 2 charter school may be made to the State Board of Elementary and Secondary Education.

(ii) A proposal for a type 1 charter school that would otherwise be made to a local school board except that the local system is in academic crisis shall, in the discretion of the proponents of proposal, be made to the state board as a type 2 proposal.

* * *

§3997. Charter school employees

A.(1) * * *

(c)The governing authority of any charter school may bargain and enter into a collectively bargained contract on behalf of all or any group of its employees.

* * *

Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Diane M. Burkhart.

DIGEST

Duplessis (SB 49)

Present law provides for the transfer, subject to BESE approval, of schools that have been labeled academically unacceptable for four consecutive years or failed schools for which the school board has failed to present or implement an acceptable reconstitution plan under the school and district accountability plan established by rule by BESE from their local school board to the recovery district. (R.S. 17:10.5)

Present law establishes and provides for the Recovery School District as an intermediate educational unit, which has no authority to levy taxes, but which may otherwise generally operate with the same authority as a local public school system regarding the schools in its jurisdiction. (R.S. 17:1990)

Present law provides for the transfer of significant school board authority from the local school board to the local superintendent when a system is academically in crisis which is defined as the local system having 30 or more schools that are academically unacceptable or more than 50% of its students attending schools that are academically unacceptable. (R.S. 17:10.6)

Proposed law retains, without change, the provisions of R.S. 17:10.5, regarding the transfer of schools, which have been academically unacceptable for four years or for which an acceptable reconstitution plan has not been provided or implemented to the Recovery School District. Retains, without change, the provisions of R.S. 17:10.6, providing for the transfer of authority from the school board to the local superintendent when a school system is academically in crisis.

Proposed law adds provisions designating a school that participates in a spring cycle of student testing, which has a school performance score below the state average that is in a school system that is academically in crisis and that has at least one school eligible to transfer to the recovery district as provided in present law as a failed school and requiring that all such schools be transferred to the Recovery School District. Specifically includes alternative schools that report a majority of their student's scores back to such schools and charter schools chartered by such systems. Requires the district to provide educational services that are required of local school systems to all students who attended the transferred school or who would have been eligible to attend the transferred school without regard to attendance zones related to such schools prior to the transfer. Requires the recovery district to provide for and insure that schools of appropriate grade that have open enrollment policies are operating and available for the enrollment of students in reasonable proximity to the neighborhoods where concentrations of students reside. Provides that on and after Nov. 15, 2008, no additional such schools shall be transferred to the recovery district.

Authorizes the Recovery School District to reorganize and operate such schools as determined most likely to improve student performance. Authorizes the district to determine what schools to operate, close, relocate or rebuild and what range of grades to operate. Requires the state Dept. of Ed, as the administering agency, not less than six months after the transfer of a school, to develop a plan for BESE approval for the operation of the schools. Requires the plan to include provision for: the educational needs of all students, the number and location of schools to be operated, and a method for communication among the parties. Permits the district to operate a limited number of schools prior to the completion and approval of the plan provided BESE approves doing so after a review of the supporting data and a review of the input sought and obtained by the district.

Provides that such a transfer is for a minimum of five years which shall be renewed upon the recommendation of the state superintendent of education and BESE approval. Requires a report to BESE at least nine months prior to the termination of the transfer period containing the superintendent's recommendation.

Empowers student's parents or guardians to choose to continue to have their child enrolled in a school under the Recovery School District or to exercise any option provided by the system from which the school is transferred.

Proposed law makes the following changes and additions to the present law provisions regarding the Recovery School District:

- (1) Adds provisions for the required transfer of schools that are designated as failed because they are below the state average and in a system that, not later than August 31, 2005, is academically in crisis, which has at least one school that is eligible to transfer to the recovery district under present law.
- (2) Adds BESE approval for the administration of the Recovery School District by the state Department of Education as the administering agency.

- (3) Adds authority for the district to manage and retain their funding, including maintaining fund balances.
- (4) Authorizes the Recovery School District to enter into contracts with private for-profit providers for any needed services.
- (5) In the case of the transfer of schools that are designated as failed because they are below the state average and in a system academically in crisis, authorizes the Recovery School District to acquire with the transfer of the schools, all the rights and responsibilities of ownership regarding all land, buildings, facilities, and other property that is part of the school being transferred, except to prohibit the transfer of the ownership of any land or usable buildings constructed on the land to any entity or person other than to return it to the stewardship of the local school system from which it was originally transferred.
- (6) Specifically authorizes the Recovery School District to lease land or property, dispose of property other than the land, including buildings unusable for any purpose necessary to the provision of educational services by the district, or as necessary to properly manage the operation of the schools, rebuild school buildings, or renovate school buildings.
- (7) Provides that when such ownership rights transfer, the Recovery School District is the exclusive authority to receive, manage, and expend any and all state, local or federal funding dedicated to or available for the purpose of repairing, renovating, or rebuilding or building a school building or facility, including any and all insurance proceeds payable to the prior system as a result of damage done to the property, except for such proceeds used to pay debt owed by the prior system and money dedicated to such purpose, whether available from tax proceeds, borrowing or otherwise. Provides that the money available to the prior system shall be transferred in a share proportional to the number of transferred schools as compared to all schools operated by the school system in the school year immediately proceeding the school year.
- (8) Reverses the order of the means for allocating local money owed to the Recovery School District from the local school system to the Recovery School District ~~from~~ the local system transferring the amount due directly or, if not, suffering a reduction in the allocation of state MFP funds to providing as the first means the reduction in state MFP funds following by a transfer from the system of local funds to make up any deficit in the amount available in state MFP funds.
- (9) Provides that in case there is insufficient MFP funds available reduce and allocate all that is due the recovery district, the prior system must transfer a sufficient amount to make up the deficit. Provides for the maintenance of a budget that is ten percent of the prior system's state MFP funding and ten percent of its local funding. Requires such amount be spent first on the prior system's retiree health insurance costs and second on the prior system's board administrative cost.
- (10) Provides an exception to the present law requirement that monies allocated or transferred from the prior system to the recovery district be expended solely on the operation of schools transferred to all that, in the case that schools that are designated as failed because they are below the state average and in a system academically in crisis, the Recovery School District may expend funds on providing educational services without regard to expending amounts on or in any particular school.
- (11) Authorizes the recovery district to permit any student eligible to attend a school any where in the prior system to attend a school operated for students from the prior system.

Proposed law makes the following changes to the Charter School Law:

- (1) Requires that a chartering authority considering a type 5 proposal review the proposal in compliance with the Principles and Standards for Quality Charter School Authorizing as promulgated by the National Association of Charter School Authorizers.
- (2) Prohibits a member of BESE and a member of a city, parish, or other local public school board from being a member of the governing or management board of any type 5 board. Additionally prohibits any elected official or any person who has been an elected official within one year prior to his appointment to serve as a member of a governing or management board of a type 5 charter school.
- (3) Specifies that the governing authority of any charter school may bargain and enter into a collectively bargained contract on behalf of all or any group of its employees.
- (4) Adds the transfer of schools that are designated as failed because they are below the state average and in a system academically in crisis (R.S. 17:10.7) to those which may be recreated as a Type 5 charter by the Recovery School District.
- (5) Authorizes the state Dept. of Education to enter into charters in the same fashion as present law authorizes for colleges and universities.
- (6) Prohibits a local school system that has transferred schools to the recovery district from considering or acting on type 1 charter school applications.
- (7) Permits a type 1 charter school application made to a local board ineligible to consider it to be made to BESE.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 17:1990(A), (B)(1), (2)(a), and (4), (C)(1)(a), (2)(a), and (3), 3973(2)(b)(v)(aa), 3982(A)(1), and 3983(A)(2)(a); adds R.S. 17:10.7, 1990(F)(3), 3973(2)(b)(v)(cc), 3983(A)(1)(g) and 3997(A)(1)(c))

Summary of Amendments Adopted by Senate

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

1. Limits the applicability of the proposed law provision that provides for the transfer of schools that are below state average and in a school system that is defined under present law as in academic crisis and which have at least one school eligible to transfer to the recovery district under present law to those schools that are in a system that meets those requirements on August 31, 2005.
2. Requires the recovery district to report directly to BESE rather than the state superintendent or the state Dept. of Education reporting to BESE about the district.
3. Permits the recovery district to operate a limited number of schools prior to completion and approval of the required long-term plan provided the schools are operated in direct response to present needs of students and BESE approves doing so after reviewing supporting data and the input sought by the district.

4. Requires a chartering authority reviewing type 5 charter proposals to review them in compliance with the Principles and Standards for Quality Charter School Authorizing.
5. Prohibits BESE and local school board members from being a member of a governing or management board of any type 5 charter school.
6. Authorizes the governing authority of any charter school to enter into a collectively bargained contract.

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill.

1. Eliminates provision that limits the applicability of the proposed law provision that provides for the transfer of schools that are below state average and in a school system that is defined under present law as in academic crisis and which have at least one school eligible to transfer to the recovery district under present law to those schools that are in a system that meets those requirements on August 31, 2005.
2. Prohibits the transfer of any additional schools that are below state average and in a school system that is defined under present law as in academic crisis and which have at least one school eligible to transfer to the recovery district under present law to the Recovery School District on and after Nov. 15, 2008.
3. Requires the recovery district to provide for and insure that schools of appropriate grade that have open enrollment policies are operating and available for the enrollment of students in reasonable proximity to the neighborhoods where concentrations of students reside.
4. Prohibits any elected official or any person who has been an elected official within one year prior to his appointment to serve as a member of a governing or management board of a type 5 charter school.