#### **DIGEST**

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SB 267 Reengrossed

2015 Regular Session

Claitor

### Charter School Enrollment of At-Risk Pupils

<u>Present law</u> (R.S. 17:3973(1)) defines "at-risk pupil" as any pupil about whom at least one of the following is true:

- (1) Is eligible to participate in the federal free or reduced lunch program.
- (2) Is under age 20 and withdrawn from school prior to graduation for not less than one semester.
- (3) Is under age 20 and has failed to achieve the required score on any portion of the examination required for high school graduation.
- (4) Is in the eighth grade or below and is reading two or more grade levels below grade level as determined by one or more of the tests required pursuant to the state accountability system.
- (5) Has been identified as a student with an exceptionality as defined in R.S. 17:1942, not including gifted and talented.
- (6) Is the mother or father of a child.

<u>Present law</u> (R.S. 17:1942(B)) defines "student with an exceptionality" as a student with a disability, who is evaluated according to state and federal regulation or policy and is deemed to have a mental disability, hearing impairment (including deafness), multiple disabilities, deaf-blindness, speech or language impairment, visual impairment (including blindness), emotional disturbance, orthopedic impairment, other health impairment, specific learning disability, traumatic brain injury, autism, or as deemed to be gifted or talented, and as a result requires special education and related services.

<u>Present law</u> (R.S. 17:3991(B)(1)(a)(i) and (b)) provides as follows relative to charter school enrollment of at-risk pupils:

- (1) For Type 1 and Type 2 charter schools created as new schools, the percentage of the total number of at-risk pupils (by reason of eligibility to participate in the federal free and reduced cost lunch program) enrolled in the charter school based on the Oct. 1 pupil membership shall be equal to not less than 85% of the average percentage of pupils enrolled in the local public school districts from which the charter school enrolls its students who are eligible to participate in the federal free and reduced cost lunch program. Provides that the remaining number of pupils enrolled in the charter school which would be required to have the same percentage of at-risk pupils as the percentage of pupils in the district who are eligible to participate in the federal free and reduced cost lunch program may be comprised of pupils who are otherwise at risk as defined in present law.
- (2) For Type 2 charter schools created as the result of a conversion, Type 3, and Type 4 charter schools, the percentage of the total number of at-risk pupils (by reason of eligibility to participate in the federal free and reduced cost lunch program) enrolled in the charter school based on the Oct. 1 pupil membership (unless otherwise agreed to as part of the charter agreement by the chartering authority) shall be equal to not less than the percentage of the total of pupils enrolled in the school in the school year prior to the establishment of the charter school that were eligible to participate in the federal free and reduced cost lunch program.

(3) Notwithstanding the requirements of <u>present law</u> as delineated in (2) above, for Type 2, Type 3, and Type 4 charter schools in Richland Parish, the percentage of the total number of pupils enrolled in the charter school based on the Oct. 1 pupil membership who are at-risk (by reason of eligibility to participate in the federal free and reduced cost lunch program) shall be, as near as practicable, not more than the percentage of the total number of pupils enrolled in the public and state approved nonpublic schools located in the public school district in which the charter school is located who are eligible to participate in the federal free and reduced cost lunch program. Additionally provides that the initial enrollment of such a school, nor the cohort of students enrolled for each new school year, have (as near as practicable) fewer than 50% students who are at-risk by reason of eligibility to participate in the federal free and reduced cost lunch program.

<u>Proposed law</u> additionally requires charter schools to enroll students identified with an exceptionality (other than gifted and talented) proportionally to the percentage of such pupils enrolled in the local public school district, in the same manner as pupils eligible to participate in the federal free and reduced lunch program. Otherwise retains <u>present law</u>.

### **Charter School Funding**

<u>Present law</u> (R.S. 17:3995(A)(1)) provides that for funding purposes, Types 1, 3, 3B, 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 Oct. 1 membership count of the charter school. Provides that Type 1B and Type 2 charter schools shall receive a per pupil amount each year authorized by the State Board of Elementary and Secondary Education (BESE) as provided in the minimum foundation program (MFP) formula.

<u>Present law</u> specifies that the per pupil amount provided to Type 1, 1B, 2, 3, and 4 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 Oct. 1 membership count:

- (1) The state-funded per pupil allocation received by the district pursuant to the most recent legislatively approved MFP formula, 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.

Relative to local revenues received during the prior year from the specified sources (see (2) above), <u>present law</u> 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. Further provides 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 (2) above), <u>present law</u> additionally provides that such revenues received by the Orleans Parish School Board also shall exclude certain other amounts.

<u>Proposed law</u> specifies that a Type 3B charter school not acting as its own local education agency, instead of all 3B schools, is considered an approved public school of the local board. Adds requirement that a Type 3B not acting as its own local education agency shall receive a per pupil amount each year authorized by BESE as provided in the MFP formula.

<u>Proposed law</u> specifies that the per pupil amount provided to Type 1, 1B, 2, 3, and 4 charter schools shall be equal to the per pupil amount provided through the MFP formula determined by the allocation weights in the formula based upon student characteristics or needs. Further specifies that the per pupil amount provided to such charter schools shall be the per pupil amount received by the school district in which the student resides instead of the district in which the charter school is located and requires that it be based on the membership count used in the MFP instead of the Oct. 1 membership count. <u>Proposed law</u> specifies that the state-funded per pupil allocation used for computing the per pupil amount for charter schools will be based upon the weighted student membership count received by the district pursuant to the most recent legislatively approved MFP formula including all levels and allocation weights based upon student characteristics or needs as provided in the formula except any supplementary allocations for specific purposes. Requires that supplementary allocations be provided to charter schools based solely on the funds generated by the charter school within each specific allocation. Otherwise retains <u>present law</u>.

<u>Present law</u> (R.S. 17:3995(A)(3)) requires a district with one or more Type 3B charter schools to distribute MFP funds to each Type 1, 3, 3B, and 4 charter school using the weighted allocations provided for in the most recently adopted MFP formula, but exempts the school board in a parish that contains a municipality of 300,000 or more persons from using this weighted funding distribution requirement until the 2018-2019 fiscal year for Type 1 and Type 3 charter schools in operation prior to the 2013-2014 school year. Specifies that until that time, these schools shall be funded as provided in <u>present law</u>. Further specifies that for all other Type 1, 3, and 4 charter schools in such a parish, the school board may request the use of a differentiated distribution methodology to be approved by the state Dept. of Education prior to implementation.

Proposed law provides instead that unless otherwise provided for in the approved MFP, beginning July 1, 2016, for a district with one or more Type 3B charter schools in operation on Aug. 1, 2015, in a parish that contains a municipality of 300,000 or more persons the total amount of MFP funds allocated to Type 1, 1B, 3, 3B, 4, and 5 charter schools and the local school board located within the geographic boundaries of the district shall use a district-level allocation based on student characteristics or needs as determined by BESE. Requires the state Dept. of Education to facilitate a collaborative process that includes representatives from the Recovery School District, the La. Assoc. of Public Charter Schools, any affected local school board and any organization representing its authorized charter schools, and advocates for students with disabilities in the development of the district-level allocation policy that shall take effect on July 1, 2016. Provides for implementation of proposed law (changes to R.S. 17:3995(A)(1)(a) and (3) only) beginning July 1, 2016.

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

(Amends R.S. 17:3991(B)(1)(a)(i) and (b) and 3995(A)(1)(intro. para.) and (a) and (3))

## Summary of Amendments Adopted by Senate

### Senate Floor Amendments to engrossed bill

1. Require charter schools to enroll students with an exceptionality (other than gifted and talented) proportionally to the percentage of such pupils enrolled in the local public school district.

# Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Education</u> to the reengrossed bill:

1. Relative to charter school funding purposes, provide that only a Type 3B charter school not acting as its own local education agency is considered an approved public school of the local board instead of all 3B schools and add that a Type 3B not acting as its own local education agency shall receive a per pupil amount each year authorized by BESE as provided in the MFP formula.

- 2. Relative to per pupil allocations and amounts for charter schools, provide for the inclusion of allocation weights based on student characteristics or needs instead of "special" student characteristics or needs and excludes any supplementary allocations for specific purposes.
- 3. Require that supplementary allocations be provided to charter schools based solely on the funds generated by the charter school within each specific allocation.
- 4. Require that the per pupil amount provided to Types 1, 1B, 2, 3, and 4 charter schools is based on the membership count used in the MFP instead of the Oct. 1 membership count.
- 5. Revise the <u>present law</u> charter school funding process for certain districts located in certain parishes, beginning July 1, 2016, to require use of a district-level allocation based on student characteristics or needs as determined by BESE.
- 6. Require the state Dept. of Education to facilitate a collaborative process for the development of the district-level allocation policy.
- 7. Provide for implementation of <u>proposed law</u> (changes to R.S. 17:3995(A)(1)(a) and (3) only) beginning July 1, 2016.