

SCHOOLS. Provides relative to charter school funding. (gov sig)

AN ACT

To amend and reenact R.S. 17:3995(A)(3), (4)(a)(ii), and (I), and to enact R.S. 17:3995(K), relative to funding for charter schools; to provide relative to district-level funding allocations for certain charter schools; to provide relative to certain funds withheld by the state Department of Education from state funds allocated to certain charter schools; to provide relative to certain schools acting as their own local education agency; to provide for rules; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 17:3995(A)(3), (4)(a)(ii), and (I) are hereby amended and reenacted, and R.S. 17:3995(K) is hereby enacted to read as follows:

§3995. Charter school funding

A.(1) * * *

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(3) Notwithstanding Paragraph (1) of this Subsection and unless otherwise provided for in the approved minimum foundation program formula:

~~(a) Through June 30, 2016, Type 3B charter schools shall receive funds~~

~~according to the district-level allocation formula based on weights for student characteristics or needs used for Type 5 charter schools within the same geographic boundaries as determined by the state board.~~

(b) **(a)(i)** Beginning July 1, 2016, for a district with one or more Type 3B charter schools in a parish that contains a municipality with a population of three hundred thousand or more persons according to the latest federal decennial census, the total amount of minimum foundation program formula funds allocated to the local school board and to Type 1, 1B, 3, 3B, 4, and 5 charter schools that are located within the district shall be allocated using a district-level computation based on student characteristics or needs as determined by the state board. The state Department of Education shall facilitate a collaborative process that includes representatives from the Recovery School District, the Louisiana Association 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.

(ii) The local school board shall adopt a policy that establishes a process to determine the district-level funding allocation to be effective beginning July 1, 2017, and as revised in subsequent years as appropriate, based upon student characteristics or needs to distribute the total amount of minimum foundation program formula funds allocated to the local school board and to Type 1, 1B, 3, 3B, 4, and 5 charter schools that are located within the geographic boundaries of the local school system.

(4)(a)(i) * * *

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(ii) The state Department of Education may withhold and retain from state funds otherwise allocated to a local public school system through the minimum foundation program formula an amount equal to one quarter of one percent of the fee amount charged to a Type 3B charter school **acting as its own local education**

agency pursuant to Item (i) of this Subparagraph, **or a Type 1, 3, or 4 charter school acting as its own education agency pursuant to R.S. 17:10.7.1,** or administrative costs incurred by the department for providing financial oversight and monitoring of such charter schools.

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I. The local school board shall remain the local education agency for any Type 1, 3, or 4 charter school, **unless the charter school is authorized to act as its own local education agency, pursuant to R.S. 17:10.7.1.**

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K. The State Board of Elementary and Secondary Education shall promulgate rules in accordance with the Administrative Procedure Act regarding a charter school acting as its own local education agency, pursuant to R.S. 17:10.7.1. Such rules shall:

(1) Delineate the financial and programmatic obligations of the charter school as related to the receipt of public funds.

(2) Authorize the state superintendent of education to rescind a charter school's authority to act as its own local education agency if the school fails to meet the financial and programmatic obligations established by the board.

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 Jeanne C. Johnston.

SB 431 Original	DIGEST 2016 Regular Session	Peterson
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Present law provides for the allocation of minimum foundation program (MFP) funds to charter schools in a school district with one or more Type 3B schools in certain parishes, beginning July 1, 2016.

Proposed law retains present law and additionally provides that the local school board shall

adopt a policy that establishes a process to determine district-level funding to be effective July 1, 2017, and as later revised, based upon student characteristics or needs to distribute the total amount of MFP funds allocated to the local school board and all charter schools located within the geographic boundaries of the local school system.

Present law authorizes the state Department of Education (DOE) to withhold an amount equal to one-quarter of one percent of the fee amount charged to a Type 3B charter school to defray the department's administrative costs.

Proposed law retains present law and additionally allows DOE to withhold this amount for Type 1, 3, 3B, and 4 charter schools acting as their own local education agency (LEA) as otherwise provided in law.

Present law provides that the local school board shall remain the LEA for any Type 1, 3, or 4 charter school.

Proposed law excepts a charter school authorized to act as its own LEA from provisions of present law.

Proposed law requires the State Board of Elementary and Secondary Education (BESE) to promulgate rules in accordance with the Administrative Procedure Act regarding a charter school acting as its own LEA and specifies that the rules shall:

- (1) Delineate the financial and programmatic obligations of the charter school as related to the receipt of public funds.
- (2) Authorize the state superintendent of education to rescind a charter school's authority to act as its own local education agency if the school fails to meet the financial and programmatic obligations established by the board.

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

(Amends R.S. 17:3995(A)(3), (4)(a)(ii), and (I); adds R.S. 17:3995(K))