



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 261** HLS 22RS 769
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action: **W/ SEN FLOOR AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: June 1, 2022	11:45 AM	Author: MAGEE
Dept./Agy.: Special Schools		
Subject: French Immersion School		Analyst: Garrett Ordner

SCHOOLS REF INCREASE See Note Page 1 of 2
 Creates a French immersion school in the community of Pointe-au-Chien in Terrebonne Parish

Proposed legislation provides for creation of École Pointe-au-Chien, a French immersion school for grades prekindergarten through four in Terrebonne Parish. Proposed legislation provides for the creation, membership, terms, powers, voting and compensation of a board of directors for the school. Proposed legislation provides that the school shall act as its own local education agency, and that the school shall be considered a public school included in the Minimum Foundation Program (MFP) formula. Provides that the school shall be funded through appropriations made directly to the school from the state general fund and through funds appropriated for the MFP and allocated to the school by the state Department of Education (LDE). Requires the Terrebonne Parish School Board to make available to École Pointe-au-Chien all real and immovable property owned by the school board and that is vacant or slated to be vacant in the town of Pointe-aux-Chenes. Requires the Terrebonne Parish School Board to donate all other property to École Pointe-au-Chien that was within the Pointe-aux-Chenes Elementary School prior to its closure in June 2021, such as furniture and supplies.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW					
Annual Total						

EXPENDITURE EXPLANATION

There will likely be an increase in state expenditures resulting from the creation of the École Pointe-au-Chien as an independent, state-run school due to a potential increased Minimum Foundation Program (MFP) allocation for student instruction and state general fund increase for operating expenses. The proposed legislation does not prescribe the year in which the school must begin operating; therefore, the year in which costs will first be incurred is indeterminable.

The community of Point-au-Chien in Terrebonne Parish previously contained a public elementary school, Pointe-aux-Chenes Elementary School; however, the school closed after the 2020-21 school year.

Proposed legislation provides that the school shall be funded through the MFP, as well as through any funding appropriated by the legislature. However, it does not provide for the calculation of the MFP allocation, so the Board of Elementary and Secondary Education (BESE) will ultimately determine the funding mechanism through its placement in the MFP formula. Assuming the school would be funded in the same manner as some charter schools whereby the state pays the MFP per pupil amount and the local per pupil share is deducted from the MFP funding for the school district in which the student otherwise resides, there would be no additional cost to the state for the local MFP allocation currently assessed to school districts. However, there will be increased costs to the state for the local cost allocation if the proposed school is instead funded in the same manner as existing special schools. Note: See next page for additional MFP funding considerations regarding International Language Associates.

EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

REVENUE EXPLANATION

There will be an increase in self generated revenues for state agencies such as the Teachers Retirement System of Louisiana (TRSL), Office of Group Benefits, Office of Risk Management, Civil Service, Office of the Legislative Auditor, Office of Telecommunications Management, and other state agencies that collect user fees from state entities. The amount of such impact is indeterminable at this time. To the extent the state pays the local portion of MFP funds for the school, MFP funding for districts will only decrease by the amount of the state allocation for each pupil that enrolls in École Pointe-au-Chien.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

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 Interim Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

For illustrative purposes, the LFO assumes an initial enrollment count of 100 students in the new school. The proposed 2022-23 MFP formula budget letter allocates \$9,237 in state (\$5,269) and local (\$3,986) funding per student for the Terrebonne Parish School District.

As a French immersion program, many of the faculty would likely qualify for a salary supplement through the MFP: an International Language Associate Salary Allocation of \$21,000 each; these International Language Associate faculty would also receive an additional \$6,000 stipend if they are in their first year of teaching, and \$4,000 if they are in their second or third year of teaching.

In addition to the MFP allocation, NOCCA receives state general fund direct appropriations to support its specialized instructional needs. The cost is indeterminable and will depend upon the number and characteristics of the students enrolled.

École Pointe-au-Chien will experience operating expenses as a result of becoming a state entity. All state agencies are required to participate in the state retirement system and group insurance, as well as share the cost of support services such as risk management, telecommunications, procurement, state buildings and grounds, civil service, and the legislative auditor. However, those costs are indeterminable at this time.

The proposed legislation requires the Terrebonne Parish School Board to make available to École Pointe-au-Chien all real and immovable property owned by the school board and that is vacant or slated to be vacant in the town of Pointe-aux-Chenes, as well as all other property that was within the Pointe-aux-Chenes Elementary School prior to its closure in June 2021, such as furniture and supplies.

The students who previously attended Pointe-aux-Chenes Elementary School were enrolled in Montegut Elementary School after the closure. Some portion of the property that was within the Pointe-aux-Chenes Elementary School prior to its closure may be in use by Montegut Elementary School. Because the donation must be made within 90 days of the effective date of the proposed legislation, the school district will likely need to replace certain furniture and supplies to continue teaching these students until École Pointe-au-Chien opens.

Note: A companion bill, HB250, provides for statutory dedication funding to the school through the Education Excellence Fund (EEF). Under HB250, the proposed school would receive \$75,000 plus an additional amount based upon the statewide average per-pupil allocation from the fund.

Senate Dual Referral Rules
[X] 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
[] 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
[X] 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
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