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## DIGEST

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Crane

HB No. 121

**Abstract:** Provides for the transfer of certain schools in school systems that are academically in crisis to the Recovery School District. Provides for the operation and management of such schools by the recovery district. Provides for the duration and continuance of such transfer. Requires certain reports by the recovery district. Authorizes the recovery district to manage and retain certain funding and to provide relative to the expenditure of certain funds by the recovery district. Expands the definition of a Type 5 charter school to include charters involving certain schools transferred to the recovery district. Prohibits a member of BESE from being a member of the governing or management board of any Type 5 charter school. Also prohibits members of certain school boards from also being members of the governing or management boards of certain Type 5 charter schools.

Present law (R.S. 17:10.5) provides for the transfer, subject to approval by the State Board of Elementary and Secondary Education (BESE), 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 School District.

Present law (R.S. 17:1990) 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.

Present law (R.S. 17:10.6) 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.

Proposed law retains, without change, the provisions of present law (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 present law (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 in

any parish having a population of at least 475,000 persons according to the latest federal decennial census that has been declared to be 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.

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 recovery district within 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 provisions for the educational needs of all students, the number and location of schools to be operated, and a method for communication among the parties.

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 the recovery district to report to BESE at least nine months prior to the expiration of the transfer period and specifies certain elements to be included in the report. Requires BESE, no later than six months prior to the expiration of the transfer period, to take action on the recommendations of the recovery district as contained in the report. Further requires the recovery district to report annually to the House and Senate education committees concerning the status, management, and operation of any school transferred to the recovery district pursuant to proposed law.

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 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 academically in crisis.
- (2) Adds BESE approval for the administration of the Recovery School District by the state Dept. 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 are insufficient MFP funds available, to provide 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 for the prior system that is 10% of the prior system's state MFP funding and 10% 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 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 by providing, in the case of 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 anywhere in the prior system to attend a school operated for students from the prior system.

Proposed law makes the following change to the Charter School Law to accommodate the transfer of schools to the Recovery School District and provide for the school's operation:

- (1) 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.
- (2) Prohibits a member of BESE from being a member of the governing or management board of any Type 5 charter school. Also prohibits members of local school boards from also being members of the governing or management boards of Type 5 charter schools within the local school board's jurisdictional area.
- (3) Authorizes the state Dept. of Education to enter into charters in the same fashion as present law authorizes for colleges and universities.
- (4) Prohibits a local school system in academic crisis that has transferred schools to the recovery district from considering or acting on Type 1 charter school applications.
- (5) Permits a Type 1 charter school application made to a local board in academic crisis that is ineligible to consider it to be made to BESE.

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

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

#### Summary of Amendments Adopted by House

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

1. Relative to proposed law provision designating certain schools that have a school performance score below the state average in a school system that has been declared to be academically in crisis, specifies that such school system shall have been declared as academically in crisis by not later than Aug. 31, 2005.
2. Relative to the requirement that the Recovery School District, directed by its administering agency, provide all educational services required of local public school systems as provided in proposed law, deletes the language "directed by its administering agency".

3. Requires the recovery district, instead of the administering agency, to develop and present to BESE for approval a plan as provided in proposed law.
4. Requires the recovery district, instead of the state superintendent of education, to make an annual report to the House and Senate education committees as provided in proposed law.
5. Requires the recovery district, instead of the state superintendent of education, to make a report to BESE as provided in proposed law.
6. Requires BESE to take action on the recommendations of the recovery district by a specified time period instead of the recommendations of the superintendent by such specified time.
7. Adds provision prohibiting any BESE member from also being a member of the governing or management board of any Type 5 charter school.
8. Adds provision prohibiting any member of a city, parish, or other local public school board from also being a member of the governing or management board of any Type 5 charter school that is within the jurisdictional area of such local school board.

House Floor Amendments to the engrossed bill.

1. Relative to proposed law provision designating certain schools as failed schools that have a school performance score below the state average in a school system that has been declared to be academically in crisis pursuant to law, specifies that such provision is applicable to such schools in a school system in any parish having a population of at least 475,000 persons according to the latest federal decennial census rather than such schools in a school system in which such declaration occurred by not later than Aug. 31, 2005.