
DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

Scalise

HB No. 93

Abstract: Requires that all public schools under the jurisdiction of a local school board which is academically in crisis shall be transferred to the Recovery School District. Defines "academically in crisis" for purposes of proposed law as any local school board in any parish having a population of at least 475,000 persons according to the latest federal decennial census with a school system in which for the 2004-2005 school year or thereafter more than 30 schools are academically unacceptable under the state school and district accountability program or more than 50% of its students attend schools that are academically unacceptable. Provides for the operation and management of such schools by the recovery district. Requires certain reports by the recovery school 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 certain persons from being a member of the governing authority or management board of Recovery School District 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. 17:10.6) 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 present law.

Proposed law (R.S. 17:10.7) adds that all public schools under the jurisdiction of a local school board which is academically in crisis shall be transferred to the Recovery School District. Defines "academically in crisis" for purposes of proposed law as any local school board in any parish having a population of at least 475,000 persons according to the latest federal decennial census with a school system in which for the 2004-2005 school year or thereafter more than 30 schools are academically unacceptable under the state school and district accountability program or more than 50% of its students attend schools that are academically unacceptable. Specifies

that the recovery district shall provide for the supervision, management, and operation of all such schools which shall be considered as failing schools for the purposes of Art. VIII, §3(A) of the Constitution of La. (which authorizes BESE to provide for the supervision, management, and operation of failing schools, including the power to receive, control, and expend MFP funds and other local revenue).

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 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. The recovery district shall retain jurisdiction over any school transferred to it.

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 proposed law requirements shall not preclude the operation of a limited number of schools prior to completion and approval of the required plan provided that such schools are operated in direct response to the present needs of students and provided that the operation of such schools is approved by BESE after certain review and consideration.

Requires the recovery district to make an annual report to the House and Senate committees on education 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 district or to exercise any option provided by the system from which the school is transferred.

Present law (R.S. 17:1990) establishes and provides for the recovery 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 under its jurisdiction.

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 all schools as described in proposed law (R.S. 17:10.7).
- (2) Adds BESE approval for the administration of the recovery 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 district to enter into contracts with private for-profit providers for any needed services.
- (5) In the case of the transfer of all schools as described in proposed law (R.S. 17:10.7), authorizes the recovery 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 prohibits 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 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 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 district from the local school system to the recovery 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 followed 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 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.

Relative to Type 5 charter schools in the recovery district, proposed law prohibits a BESE member from being a member of the governing or management body of any Type 5 charter school. Also prohibits a member of any local school board from being a member of the governing or management board of any Type 5 charter school within the jurisdictional area of such school board.

Proposed law makes the following changes to the Charter School Demonstration Programs Law to accommodate the transfer of schools to the Recovery School District and provide for the operation of such schools:

- (1) Adds the transfer of schools that are designated as failed pursuant to proposed law definition (R.S. 17:10.7) to those which may be recreated as a Type 5 charter school by the recovery district.
- (2) Excepts schools transferred to the recovery district pursuant to proposed law from present law provisions applicable to a Type 5 charter school specifying that only pupils who would have been eligible to enroll in or attend the preexisting school under the jurisdiction of the local board or other public school entity prior to its transfer to the recovery district may attend and specifying additionally, however, that all such pupils shall be eligible to attend notwithstanding any other contrary provision of present law relative to charter schools.
- (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), 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. Adds proposed law provision prohibiting certain persons from being a member of the governing authority or management board of Recovery School District Type 5 charter schools.
2. Relative to the definition of "academically in crisis" changes definition by removing school systems which meet the criteria after the 2004-2005 school year.

House Floor Amendments to the engrossed bill.

1. Changes the definition of "academically in crisis" for purposes of proposed law to mean any local school board in any parish having a population of at least 475,000 persons according to the latest federal decennial census with a school system in which for the 2004-2005 school year or thereafter more than 30 schools are academically unacceptable under the state school and district accountability program or more than 50% of its students attend schools that are academically unacceptable instead of any local school board with a school system in which for the 2004-2005 school year more than 30 schools are academically unacceptable under the state school and district accountability program or more than 50% of its students attend schools that are academically unacceptable.
2. Adds the following as it relates to the transfer of such schools (as specified in summary 1 above):
 - (a) Requires that the recovery district shall provide for the supervision, management, and operation of all such schools which shall be considered as failing schools for the purposes of Art. VIII, §3(A) of the Constitution of La.
 - (b) 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.
 - (c) Requires the recovery district to reorganize and operate such schools as determined most likely to improve student performance, including the authority to determine what schools to operate, close, relocate, or rebuild and what range of grades to operate.
 - (d) Provides that the recovery district shall retain jurisdiction over any school transferred to it.

- (e) 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 and 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.
 - (f) Specifies that proposed law requirements shall not preclude the operation of a limited number of schools prior to completion and approval of the required plan provided that such schools are operated in direct response to the present needs of students and provided that the operation of such schools is approved by BESE after certain review and consideration.
 - (g) Requires the recovery district to make an annual report to the House and Senate committees on education concerning the status, management, and operation of any school transferred to the recovery district pursuant to proposed law.
 - (h) Empowers student's parents or guardians to choose to continue to have their child enrolled in a school under the recovery district or to exercise any option provided by the system from which the school is transferred.
3. Makes the following changes and additions to present law provisions (R.S. 17:1990) regarding the Recovery School District:
- (a) Adds provisions for the required transfer of all schools as described in proposed law (R.S. 17:10.7).
 - (b) Adds BESE approval for the administration of the recovery district by the state Dept. of Education as the administering agency.
 - (c) Adds authority for the district to manage and retain their funding, including maintaining fund balances.
 - (d) Authorizes the recovery district to enter into contracts with private for-profit providers for any needed services.
 - (e) In the case of the transfer of all schools as described in proposed law (R.S. 17:10.7), authorizes the recovery 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 prohibits 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.

- (f) Specifically authorizes the recovery 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.
- (g) Provides that when such ownership rights transfer, the recovery 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.
- (h) Reverses the order of the means for allocating local money owed to the recovery district from the local school system to the recovery 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 followed by a transfer from the system of local funds to make up any deficit in the amount available in state MFP funds.
- (i) 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.
- (j) 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 district may expend funds on providing educational services without regard to expending amounts on or in any particular school.
- (k) 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.

4. Adds proposed law provisions making certain changes to the Charter School Demonstration Programs Law to accommodate the transfer of schools to the recovery district and provide for their operation.
5. Deletes provisions relative to exempting schools transferred pursuant to proposed law from certain present law (R.S. 17:10.5) provisions.
6. Deletes provisions relative to schools transferred pursuant to proposed law that have not been designated as failed schools.