

Regular Session, 2013

HOUSE BILL NO. 542

BY REPRESENTATIVE WHITNEY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

EDUCATION ACCOUNTABILITY: Provides relative to charter schools

1 AN ACT

2 To amend and reenact R.S. 17:3973(2)(b)(iv) and (3) through (7), 3974, 3981(4), (7), and

3 (8), 3981.1, 3981.2, 3982, 3983(A)(2)(a)(i) and (iii) and (d), (3)(a) and (d), and

4 (4)(a), (b), and (d), (B)(2), (D), and (E)(3), 3991(B)(3) and (13), (C)(1)(c)(iv) and

5 (6), (D)(2)(a)(i), and (H), 3992(A)(1) and (D), 3995(A)(1)(introductory paragraph)

6 and (c) and (4)(a), 3996(C) and (G), 3998, 4001(A) and (C)(1) and (2) and to repeal

7 R.S. 17:3991(B)(9) and 3996(A)(16) and (B)(4), relative to charter schools; to

8 provide relative to charter authorizers; to provide relative to the powers, duties, and

9 obligations of the State Board of Elementary and Secondary Education with respect

10 to charter schools; to provide relative to the powers, duties, and obligations of local

11 public school boards and charter authorizers with respect to charter schools; to

12 provide definitions; to provide relative to officers and employees of charter schools

13 and charter authorizers; to provide relative to the chartering process; to provide

14 relative to maintenance and extension of charters; to provide relative to funds and

15 funding of such schools; to provide relative to operation and administration of such

16 schools; and to provide for related matters.

17 Be it enacted by the Legislature of Louisiana:

18 Section 1. R.S. 17:3973(2)(b)(iv) and (3) through (7), 3974, 3981(4), (7), and (8),

19 3981.1, 3981.2, 3982, 3983(A)(2)(a)(i) and (iii) and (d), (3)(a) and (d), and (4)(a), (b), and

20 (d), (B)(2), (D), and (E)(3), 3991(B)(3) and (13), (C)(1)(c)(iv) and (6), (D)(2)(a)(i), and (H),

1 3992(A)(1) and (D), 3995(A)(1)(introductory paragraph) and (c) and (4)(a), 3996(C) and
2 (G), 3998, 4001(A) and (C)(1) and (2) are hereby amended and reenacted to read as follows:

3 §3973. Definitions

4 As used in this Chapter, the following words, terms, and phrases shall have
5 the meanings ascribed to them in this Section except when the context clearly
6 indicates a different meaning:

7 * * *

8 (2)

9 * * *

10 (b) Charter schools shall be one of the following types:

11 * * *

12 (iv) Type 4, which means a preexisting public school converted and operated
13 or a new school operated as the result of and pursuant to a charter between a local
14 school board and the State Board of Elementary and Secondary Education. Prior to
15 the creation of such a charter to convert a preexisting school, the state board may
16 require approval of a proposal to create such a charter by the professional faculty and
17 staff of the preexisting school and by the parents or guardians of children enrolled
18 in the school as provided in R.S. 17:3983(C). Within such Type 4 schools, unless
19 an agreement with another city, parish, or other local public school board is reached
20 to allow students to attend the charter school, only pupils who would be eligible to
21 attend a public school operated by the local school board or pupils from the same
22 areas as those permitted to attend the preexisting school will be eligible to attend as
23 provided in the charter.

24 * * *

25 (3) "Chartering authority" means either a local school board, a local charter
26 authorizer, or the ~~State Board of Elementary and Secondary Education~~ state board.

27 (4) "Local charter authorizer" means an entity certified by the state board in
28 accordance with this Chapter to enter into agreements with chartering groups.

1 (5) "Local school board" means any city, parish, or other local public school
2 board.

3 (6) "Public service organization" means any community-based group of fifty
4 or more persons incorporated under the laws of this state that meets all of the
5 following requirements:

6 (a) Has a charitable, eleemosynary, or philanthropic purpose.

7 (b) Is organized for a public purpose and is qualified as a tax-exempt
8 organization under Section 501(c) of the United States Internal Revenue Code ~~and~~
9 ~~is organized for a public purpose.~~

10 (7) "State board" means the State Board of Elementary and Secondary
11 Education.

12 §3974. Prohibitions; persons convicted of felony offenses

13 A. No local charter authorizer shall be certified which has an officer,
14 administrator, director, or any person having managerial authority who has been
15 convicted of or has pled nolo contendere to any crime defined as a felony or who has
16 been convicted under the laws of any other state or of the United States or of any
17 foreign government or country of a crime which, if committed in this state, would
18 be a felony. The provisions of this Subsection shall not apply to any person who has
19 been pardoned or if more than fifteen years have elapsed after the date of the
20 completion of his original sentence.

21 B. No person who has been convicted of or has pled nolo contendere to a
22 crime listed in R.S. 15:587.1(C) shall be hired by a charter school as a teacher,
23 substitute teacher, bus driver, substitute bus driver, or janitor, or as a temporary, part-
24 time, or permanent school employee of any kind.

25 §3981. ~~State Board of Elementary and Secondary Education~~ State board; powers
26 and duties relative to charter schools

27 The ~~State Board of Elementary and Secondary Education~~ state board shall:

28 * * *

1 (4) Review each proposed charter in a timely manner and determine whether
2 each proposed charter complies with the law and rules and whether the proposal is
3 valid, complete, financially well-structured, educationally sound, whether it provides
4 for a master plan for improving behavior and discipline in accordance with R.S.
5 17:252, whether it provides a plan for collecting data in accordance with R.S.
6 17:3911, and whether it offers potential for fulfilling the purposes of this Chapter.
7 The board shall engage in an application review process that complies with the latest
8 Principles and Standards for Quality Charter School Authorizing, as promulgated by
9 the National Association of Charter School Authorizers, and shall provide for an
10 independent evaluation of the charter proposal by a third party ~~with~~ possessing
11 educational, organizational, legal, and financial expertise.

12 * * *

13 (7) Approve common charter applications developed by the state Department
14 of Education for use by all chartering authorities in the state. The application shall
15 allow a potential chartering group to propose any number of charter schools through
16 a single application.

17 (8) Actively recruit chartering groups that offer a program of study or
18 propose to offer a program of study that effectively addresses regional workforce
19 needs, such as career and technical education, industry-based certifications, and
20 vocational course work.

21 §3981.1. State board; powers and duties relative to local charter authorizers

22 A. The state board shall:

23 (1) Approve a process for certifying entities as local charter authorizers as
24 more fully specified in this Section.

25 (2) Not certify any entity as a local charter authorizer under this Section
26 unless ~~it~~ the entity is in compliance with procedures and regulations established by
27 the state board and ~~the entity~~ meets all of the following requirements:

28 (a) The entity is either a state agency or a nonprofit corporation having an
29 educational mission, including but not limited to a nonprofit corporation of a

1 philanthropic or policy nature, a Louisiana public postsecondary education
2 institution, or a nonprofit corporation established by the governing authority of a
3 parish or municipality.

4 (b) The entity does not operate any charter schools. An entity which
5 operates charter schools may not be certified as a local charter authorizer.

6 (c) The entity has been incorporated for not less than three years.

7 (d) The entity has in its possession not less than five hundred thousand
8 dollars in assets net of liabilities as reported to the Department of Revenue.

9 (3) Review each proposed local charter authorizer in a timely manner and
10 determine whether each proposed local charter authorizer complies with the law and
11 rules and whether the proposal is valid, complete, financially well-structured, and
12 educationally sound, whether it provides for a master plan of academic excellence
13 relative to the schools it shall oversee, whether it provides a plan for developing the
14 capacity to authorize not fewer than five schools and assures the state board that it
15 intends to authorize not fewer than five schools, and whether it offers potential for
16 fulfilling the purposes of this Chapter. The board shall engage in an application
17 review process that complies with the latest Principles and Standards for Quality
18 Charter School Authorizing, as promulgated by the National Association of Charter
19 School Authorizers, and shall provide for an independent evaluation of the charter
20 proposal by a third party ~~with~~ possessing educational, organizational, legal, and
21 financial expertise.

22 (4) Certify not more than five local charter authorizers to operate in any
23 regional labor market area, as defined by the Louisiana Workforce Commission, at
24 any given time.

25 (5) Approve a process by which charter schools authorized by a local charter
26 authorizer shall be transferred to the state board as Type 2 or Type 5 charter schools
27 should the local charter authorizer lose its certification by the state board or
28 otherwise cease to exist.

1 (6) Monitor and evaluate the schools authorized by a local charter authorizer
2 in accordance with the school and district accountability system.

3 B. The initial certification of a local charter authorizer shall be for a period
4 of five years. After the third year of operation of any charter school authorized by
5 the local chartering authorizer, the state board shall conduct a thorough review of the
6 authorizer's activities and the performance of the charter schools authorized by the
7 local charter authorizer, in accordance with the school and district accountability
8 system. If the average performance of these charter schools is a letter grade of "C",
9 "D", or "F" or any variation thereof, the authorizer shall be placed on probation and
10 submit a plan for improving the performance of the schools under its authority to the
11 state board.

12 C.(1) If the average performance of the charter schools authorized by the
13 local charter authorizer is a letter grade of "C" or any variation thereof after the
14 initial certification period, the state board may recertify the local charter authorizer
15 under the condition that the local charter authorizer may not authorize any additional
16 schools until the average performance of the charter schools authorized by the local
17 charter authorizer is a letter grade of "A" or "B" or any variation thereof. The local
18 charter authorizer may maintain the charter schools it has previously approved.

19 (2) If the average performance of the charter schools authorized by the local
20 charter authorizer is a letter grade of "D" or "F" or any variation thereof after the
21 initial certification period, the state board shall not recertify the local charter
22 authorizer and shall provide for the transfer of the charter schools authorized by the
23 local charter authorizer to the state board as Type 2 or Type 5 charter schools.

24 D. After the initial certification period, the state board may grant renewal of
25 certification for additional periods of not less than three years nor more than ten
26 years after thorough review of the local chartering authority's activities and the
27 performance of the charter schools authorized by the local charter authorizer. The
28 state board shall continue to conduct a thorough review of the authorizer's activities

1 and the performance of the charter schools authorized by the local charter authorizer,
2 in accordance with the school and district accountability system, every three years.

3 E. If the average performance of the charter schools authorized by the local
4 charter authorizer is a letter grade of "C" or any variation thereof after any three-year
5 review, the local charter authorizer may not authorize any additional schools until
6 the average performance of those schools is a letter grade of "A" or "B" or any
7 variation thereof. If the average performance of the charter schools authorized by
8 the local charter authorizer is a letter grade of "D" or "F" or any variation thereof
9 after any three-year review, the state board shall cancel the local charter authorizer's
10 certification and provide for the transfer of those schools to the state board as Type
11 2 or Type 5 charter schools.

12 F. The state board may rescind a charter approval or agreement between a
13 local charter authorizer and a chartering group if the state board finds that in
14 approving the applicant or entering the agreement the authorizer has failed to comply
15 with laws and regulations, including but not limited to whether the local charter
16 authorizer has engaged in a transparent application review process that complies with
17 the latest Principles and Standards for Quality Charter School Authorizing, as
18 promulgated by the National Association of Charter School Authorizers, and has
19 provided for an independent evaluation of the charter proposal by a third party with
20 educational, organizational, legal, and financial expertise.

21 G. The state board may rescind a charter approval or agreement between a
22 local charter authorizer and a chartering group if the chartering group has been found
23 by the state board to have a ~~repeating~~ pattern of abuse, neglect, and mistreatment of
24 students.

25 §3981.2. Local charter authorizers; powers and duties

26 A.(1)(a) A local charter authorizer shall comply with R.S. 17:3983 and shall
27 review and formally act upon charter proposals received within time lines established
28 by the ~~State Board of Elementary and Secondary Education~~ state board that are
29 consistent with national best practices in charter school authorizing. Such time lines

1 shall require, at a minimum, an annual charter process in which local charter
2 authorizers are afforded at least ninety days to evaluate such applications. In
3 conducting such review, the local charter authorizer shall determine whether the
4 proposed charter complies with the law and rules; and whether the proposal is valid,
5 complete, financially well-structured, and educationally sound, whether it provides
6 for a master plan for improving behavior and discipline in accordance with R.S.
7 17:252, whether it provides a plan for collecting data in accordance with R.S.
8 17:3911, and whether it offers potential for fulfilling the purposes of this Chapter.
9 The local charter authorizer shall engage in a transparent application review process
10 that complies with the latest Principles and Standards for Quality Charter School
11 Authorizing, as promulgated by the National Association of Charter School
12 Authorizers, and shall provide for an independent evaluation of the charter proposal
13 by a third party ~~with~~ possessing educational, organizational, legal, and financial
14 expertise. Each local charter authorizer shall use a common charter application
15 developed by the state Department of Education and approved by the state board, but
16 may request additional information from applicants as needed.

17 (b) A local charter authorizer may accept charter proposals and notify charter
18 applicants of its final decision pursuant to time lines approved by the state board.
19 Notifications of charter proposals denied shall include written explanation of the
20 reasons for such denial.

21 (2) The local charter authorizer shall make public through its website, and
22 in printed form upon request, the following:

23 (a) The guidelines for submitting a charter proposal in accordance with
24 Paragraph (1) of this Subsection.

25 (b) All forms required for submission of a charter proposal.

26 (c) The time lines established for accepting and reviewing charter proposals.

27 (d) The process that will be used to review charter proposals submitted to the
28 board.

1 (e) The name and contact information for a primary point of contact for
2 charter proposals.

3 (3) If a charter applicant believes that a local charter authorizer has not
4 complied with Paragraphs (1) ~~and~~ or (2) of this Subsection in its evaluation of an
5 application, the charter applicant may submit its proposal to the state board for its
6 review and approval as a Type 2 charter. If the state board determines that the local
7 charter authorizer failed to comply with Paragraphs (1) ~~and~~ or (2) of this Subsection,
8 it shall notify the local charter authorizer of that determination and may proceed with
9 its own review of the charter application. The state board shall review each proposal
10 according to the process set forth in R.S. 17:3981(4) and shall provide written
11 notification of its final decision to the charter applicant pursuant to time lines
12 established by the state board.

13 B. If a local charter authorizer loses its certification from the state board or
14 otherwise ceases to exist, all of its public assets which it has acquired as a local
15 charter authorizer pursuant to this Chapter shall become the property of the state
16 board; provided however, that the state board shall first afford the local school
17 district within whose boundaries the assets are located the option to purchase or
18 otherwise acquire such public assets. Each charter school authorizer shall document
19 all assets acquired with private funds.

20 C. Any nonprofit corporation certified by the ~~State Board of Elementary and~~
21 ~~Secondary Education~~ state board as a local charter authorizer shall be subject to the
22 Open Meetings Law in accordance with R.S. 42:11 et seq., the Public Records Law
23 in accordance with R.S. 44:1 et seq., and the Code of Governmental Ethics in
24 accordance with R.S. 42:1101 et seq. when exercising its authority as a local charter
25 authorizer.

26 D. A nonprofit corporation certified by the ~~State Board of Elementary and~~
27 ~~Secondary Education~~ state board as a local charter authorizer shall submit to the
28 Department of Education an annual independent financial audit performed by a
29 certified public accountant who has been approved by the legislative auditor. The

1 audit shall be performed in accordance with generally accepted governmental
2 auditing standards and the Louisiana Governmental Audit Guide. The completed
3 audit shall be submitted annually to the Department of Education and the legislative
4 auditor and shall be subject to the provisions of R.S. 24:513 ~~in so far~~ insofar as it
5 pertains to quasi-public agencies.

6 §3982. Local school boards; duties

7 A.(1)(a)(i) Local school boards shall comply with R.S. 17:3983 and shall
8 review and formally act upon each charter proposal received within time lines
9 established by the ~~State Board of Elementary and Secondary Education~~ state board
10 that are consistent with national best practices in charter school authorizing. Such
11 time lines shall require, at a minimum, an annual charter application process in
12 which local school boards are afforded at least ninety days to evaluate such
13 applications. In conducting such review, the local school board shall determine
14 whether each proposed charter complies with the law and rules; and whether the
15 proposal is valid, complete, financially well-structured, and educationally sound,
16 whether it provides for a master plan for improving behavior and discipline in
17 accordance with R.S. 17:252, whether it provides a plan for collecting data in
18 accordance with R.S. 17:3911, and whether it offers potential for fulfilling the
19 purposes of this Chapter. The local board shall engage in a transparent application
20 review process that complies with the latest Principles and Standards for Quality
21 Charter School Authorizing, as promulgated by the National Association of Charter
22 School Authorizers, and shall provide for an independent evaluation of the charter
23 proposal by a third party with educational, organizational, legal, and financial
24 expertise. Each local board shall use a common charter application developed by the
25 state Department of Education and approved by the state board, but may request
26 additional information from applicants as needed.

27 (ii) A local school board may accept charter proposals and notify charter
28 applicants of its final decision pursuant to time lines approved by the state board.

1 Notifications of charter proposals denied shall include written explanation of the
2 reasons for such denial.

3 (b) Notwithstanding the provisions of Subparagraph (a) of this Paragraph,
4 school boards which govern a local system that has been declared to be in academic
5 crisis, as defined in R.S. 17:10.6, shall not consider, review, or act upon charter
6 applications for a Type 1 charter school and shall notify the proponents of any
7 pending Type 1 charter proposal or any newly submitted Type 1 charter proposal that
8 the board is ineligible to act on such applications and that each such application may,
9 therefore, be submitted to the state board as a Type 2 proposal pursuant to R.S.
10 17:3983(A)(2)(a)(ii).

11 (2) The local school board shall make public through its website, and in
12 printed form upon request, the guidelines for submitting a charter proposal, all forms
13 required for submission of a charter proposal, the time lines established for accepting
14 and reviewing charter proposals in accordance with Item (1)(a)(ii) of this Subsection,
15 the process that will be used to review charter proposals submitted to the board, and
16 the name and contact information for a primary point of contact for charter
17 proposals.

18 (3) If a charter applicant believes that a local school board has not complied
19 with Paragraphs (1) and (2) of this Subsection in its evaluation of an application, the
20 charter applicant may submit its proposal to the state board for its review and
21 approval as a Type 2 charter. If the state board determines that the school board
22 failed to comply with Paragraphs (1) and (2) of this Subsection, it shall notify the
23 school board of that determination and may proceed with its own review of the
24 charter application. The state board shall review each proposal according to the
25 process set forth in R.S. 17:3981(4) and shall provide written notification of its final
26 decision to the charter applicant pursuant to time lines established by the state board.

27 B.(1) Local school boards shall make available to chartering groups any
28 vacant school facilities or any facility slated to be vacant for lease or purchase up to
29 fair market value. In the case of a Type 1B or a Type 2 charter school created as a

1 result of a conversion, the facility and all property within the existing school shall
 2 be made available to that chartering group. In return for the use of the facility and
 3 its contents, the chartering group shall pay a proportionate share of the local school
 4 board's bonded indebtedness to be calculated in the same manner as set forth in R.S.
 5 17:1990(C)(2)(a)(i). If such facilities were constructed at no cost to the local school
 6 board, then such facilities including all equipment, books, instructional materials,
 7 and furniture within such facilities shall be provided to the charter school at no cost.

8 (2) If a chartering group determines that a facility or property that was
 9 purchased from the Orleans Parish School Board is no longer needed for an
 10 educational purpose, the group shall first offer to sell the facility or property back to
 11 the Orleans Parish School Board prior to seeking to dispose of it to any other person
 12 or entity.

13 §3983. Chartering process by type; eligibility; limitations; faculty approval; parental
 14 approval

15 A.

16 * * *

17 (2)(a)(i) Each proposal for a Type 1 or Type 3 charter school shall first be
 18 made to the local school board ~~with~~ having jurisdiction where the school is to be
 19 located, except as provided for in Item (ii) or (iii) of this Subparagraph, by
 20 submitting a written proposal. If, after review as required by R.S. 17:3982, the local
 21 school board denies the proposal, or if conditions placed on the proposal by the local
 22 school board, as provided in Paragraph (B)(2) of this Section, are not acceptable to
 23 the chartering group, then a proposal for a Type 2 charter school may be made to the
 24 state board.

25 * * *

26 (iii) If the local school system in which a chartering group intends to apply
 27 to operate a school has received a letter grade designation of "D" or "F" or any
 28 variation thereof, then a proposal for a Type 2 charter school may be made to the
 29 state board.

1 * * *

2 (d) Each proposal for a Type 1B charter school shall be made to a certified
3 local charter authorizer. If, after review as required by R.S. 17:3981.2, the local
4 charter authorizer denies the proposal, or if conditions placed on the proposal by the
5 local charter authorizer, as provided in Paragraph (B)(2) of this Section, are not
6 acceptable to those proposing the charter, then a proposal for a Type 2 charter school
7 may be made to the state board.

8 (3)(a) The state board shall review and take action on every Type 2 and Type
9 4 charter application it receives.

10 * * *

11 (d)(i) Not later than January 1, 2013, the state board shall create a process
12 for authorizing multiple charter schools for qualified chartering groups that have a
13 demonstrated record of success. The process shall include the evaluation of
14 performance of chartering groups that do not operate any schools in Louisiana based
15 on the performance of schools operated in other states.

16 (ii) Chartering groups that meet the criteria established pursuant to Item (i)
17 of this Subparagraph are eligible to apply for and be granted approval of multiple
18 charter agreements through a single application. Only after each such school meets
19 specified performance targets, as determined by the chartering authority, may the
20 chartering group open a subsequent approved school.

21 (4)(a) A local school board and a local charter authorizer may enter into any
22 charter it finds valid, complete, financially well-structured, and educationally sound
23 after meeting the requirements of this Chapter. Each such charter entered into shall
24 be reported by the local school board or local charter authorizer to the state board not
25 ~~less~~ more than two business days following the event.

26 (b) The state board may approve applications for charters as it has
27 determined acceptable pursuant to R.S. 17:3981(2).

28 * * *

1 (d) Prior to the consideration of a charter school proposal by any local school
 2 board, a local charter authorizer, or the state board, each charter applicant shall be
 3 afforded the opportunity to provide a written response to the independent evaluation
 4 conducted in accordance with R.S. 17:3981(4), 3981.2(A)(1)(a), or 3982(A)(1)(a)(i),
 5 as applicable. Such response shall be available to the independent reviewers for
 6 consideration prior to issuing a final recommendation to the chartering authority.
 7 However, if a proposal is not approved by the local school board or local charter
 8 authorizer and then also not approved by the state board within the same approval
 9 cycle, then the proposal shall be submitted to the local school board or a local charter
 10 authorizer for its consideration during the next approval cycle prior to being
 11 submitted to the state board.

12 * * *

13 B.

14 * * *

15 (2) Additionally, each approved charter may be approved subject to whatever
 16 other resolatory or suspensive conditions the chartering authority requires provided
 17 those entering into the charter agree with the conditions. If the local school board
 18 or local charter authorizer seeks to amend the charter agreement in a manner that is
 19 unacceptable to the charter school or if the charter school finds requested terms for
 20 charter renewal to be unacceptable, the charter school may petition the state board
 21 to convert to a Type 2 charter school. Upon receipt of such request, the state board
 22 shall notify the local school board or local charter authorizer of the request and shall
 23 permit the local school board or local charter authorizer to provide a response prior
 24 to any action on such request.

25 * * *

26 D.(1) Prior to approving a charter for a Type 1 or Type 3 school, the local
 27 school board considering the proposal shall hold a public meeting for the purpose of
 28 considering the proposal and receiving public input. Such meeting shall be held after

1 reasonable efforts have been made by the local school board to notify the public of
2 the meeting and its content.

3 (2) Prior to approving a charter for a Type 1B school, the local charter
4 authorizer considering the proposal shall hold a public meeting for the purpose of
5 receiving public input. Such meeting shall be held in the geographic area to be
6 served by the school after reasonable efforts have been made to notify the public of
7 the meeting and its content.

8 E.

9 * * *

10 (3) Approval by a local charter authorizer shall be in accordance with the
11 conditions of its certification as established by the state board.

12 * * *

13 §3991. Charter schools; requirements; limitations; renewal; amendment; revocation

14 * * *

15 B. Each proposed charter shall contain or make provision for the following:

16 * * *

17 (3) Admission requirements, if any, that are consistent with the school's role,
18 scope, and mission may be established pursuant to rules promulgated by the state
19 board. Such admission requirements shall be specific and shall include a system for
20 admission decisions which precludes exclusion of pupils based on race, religion,
21 gender, ethnicity, national origin, intelligence level as ascertained by an intelligence
22 quotient examination, or identification as a student with an exceptionality as defined
23 in R.S. 17:1942(B). Such admission requirements may include, however, specific
24 requirements related to a school's mission such as auditions for schools with a
25 performing arts mission or proficiency in a foreign language for schools with a
26 language immersion mission. Any school which was chartered prior to July 1, 2012,
27 and which incorporated achievement of a certain academic record as part of its
28 admission requirements may continue to utilize such admission requirements. No
29 local school board shall assign any pupil to attend a charter school.

1 * * *

2 (13) Assurance that teachers and other school employees will be evaluated
3 in accordance with R.S. 17:3997.

4 * * *

5 C. A charter school shall:

6 (1)

7 * * *

8 (c)

9 * * *

10 (iv) Unless otherwise provided for within the charter, charter schools may
11 not enroll in any given year more than one hundred twenty percent of the total
12 number of students which had been approved in their charter without formally
13 amending their charter. The state board may authorize the state superintendent of
14 education and the superintendent of the Recovery School District to amend the
15 charter of any Type 5 charter school participating in a unified enrollment system
16 administered by the Recovery School District for the purpose of adjusting student
17 enrollment limitations.

18 * * *

19 (6) Employ instructional staff who have at least a baccalaureate degree and
20 who shall be subject to all provisions of state law relative to background checks
21 applicable to the employment of public school personnel.

22 D.

23 * * *

24 (2)(a)(i) Notwithstanding the provisions of R.S. 17:158(A), if the local
25 school board is requested to provide transportation services to a charter school
26 student pursuant to R.S. 17:158, then the charter school receiving the transportation
27 services shall reimburse the local school board for the actual cost of providing such
28 transportation unless an amount less than actual cost is agreed upon by both parties.

29 * * *

1 H. Any assets acquired by a Type 1, 1B, 2, 3, or 5 charter school are the
 2 property of that charter school for the duration of that school's charter agreement.
 3 Any assets acquired by a Type 4 charter school are the property of the local school
 4 board. If the charter agreement of any Type 1, 1B, 2, 3, or 5 charter school is
 5 revoked or if the school otherwise ceases to operate, all assets purchased with any
 6 public funds shall become the property of the chartering authority. Assets that
 7 become the property of a local charter authorizer pursuant to this Subsection shall
 8 be used solely for purposes of operating charter schools. Charter schools are to
 9 maintain records of any assets acquired with any private funds which remain the
 10 property of the nonprofit group operating the charter school.

11 * * *

12 §3992. Charter revision and renewal

13 A.(1) Unless revoked as provided for in Subsection C of this Section, an
 14 approved school charter shall be valid for an initial period of four years and may be
 15 extended for a maximum initial term of five years, contingent upon the results of a
 16 review conducted after the completion of the third year as provided in R.S. 17:3998.
 17 The charter may be renewed for additional periods of not less than three nor more
 18 than ten years after thorough review by the approving chartering authority of the
 19 charter school's operations and compliance with charter requirements. The
 20 chartering authority shall notify the chartering group in writing of any decisions
 21 made relative to the renewal or nonrenewal of a school's charter not later than
 22 January thirty-first of the year in which the charter would expire. A notification that
 23 a charter will not be renewed shall include written explanation of the reasons for
 24 such non-renewal. Pursuant to Subsection C of this Section and using such annual
 25 review process, a charter may be revoked for failure to meet agreed-upon academic
 26 results ~~as~~ specified in the charter.

27 * * *

28 D. For each charter school which has received a letter grade designation of
 29 "A" or "B" or any variation thereof and has met the criteria of Subparagraph

1 (A)(2)(c) of this Section pursuant to automatic renewal, a charter operator shall be
 2 eligible to open and operate two additional schools that serve the same grade levels
 3 and the same enrollment boundaries as defined in the charter agreement of the school
 4 meeting the criteria of Subparagraph (A)(2)(c) of this Section without formal
 5 application to the chartering authority with which the charter agreement for the
 6 school that meets the criteria of Subparagraph (A)(2)(c) of this Section is held. The
 7 chartering group shall notify its chartering authority of its intent to open one or two
 8 additional charter schools pursuant to this Subsection at least one hundred twenty
 9 calendar days prior to the day on which each additional school shall enroll students.
 10 At least ninety calendar days prior to the day on which each additional school shall
 11 enroll students, the chartering authority shall enter into a charter agreement with the
 12 chartering group for each additional school and shall notify the state board of its
 13 action.

14 * * *

15 §3995. Charter school funding

16 A.(1) For the purpose of funding, a Type 1, Type 3, and Type 4 charter
 17 school shall be considered an approved public school of the local school board
 18 entering into the charter agreement and shall receive a per pupil amount each year
 19 from the local school board based on the October first membership count of the
 20 charter school. Type 1B and Type 2 charter schools shall receive a per pupil amount
 21 each year authorized by the state board each year as provided in the Minimum
 22 Foundation Program approved formula. The per pupil amount provided to a Type
 23 1, 1B, 2, 3, or 4 charter school shall be computed annually and shall be equal to no
 24 less than the per pupil amount received by the school district in which the charter
 25 school is located from the following sources based on the district's October first
 26 membership count:

27 * * *

28 (c) The provisions of this Paragraph permitting the calculation of the per
 29 pupil amount to be provided to a Type 1, 1B, 2, 3, or 4 charter school to exclude any

1 portion of local revenues specifically dedicated by the legislature or by voter
2 approval to capital outlay or debt service, shall be applicable only to a charter school
3 housed in a facility or facilities provided by the district in which the charter school
4 is located.

5 * * *

6 (4)(a) The state board, a local school board, and a local charter authorizer
7 may annually charge each charter school they authorize a fee in an amount equal to
8 two percent of the total per pupil amount as defined by this Subsection that is
9 received by a charter school for administrative overhead costs incurred by the
10 chartering authority for considering the charter application and any amendment
11 thereto, for providing monitoring and oversight of the school, for collecting and
12 analyzing data of the school, and for reporting on school performance. Such fee
13 amount shall be withheld from the per pupil amount in monthly increments and shall
14 not be applicable to any federal money or grants received by the charter school.
15 Administrative overhead costs shall not include any cost incurred by the chartering
16 authority to provide purchased services to the charter school. As provided by
17 Subparagraph (b) of this Paragraph, a chartering authority or the Recovery School
18 District, if applicable, may provide other services for a charter school and charge the
19 actual cost of providing such services, but no such arrangement shall be required as
20 a condition for authorizing the charter school.

21 * * *

22 §3996. Charter schools; exemptions; requirements

23 * * *

24 C. A charter school established and operated in accordance with the
25 provisions of this Chapter shall comply with all state and federal laws and
26 regulations otherwise applicable to public schools with respect to civil rights and
27 individuals with disabilities. Any Type 1B, Type 2, or Type 5 charter school shall
28 be considered the local education agency for the purposes of any special education

1 funding or statutory definitions, while the local school board shall remain the local
2 education agency for any Type 1, 3, or 4 charter school.

3 * * *

4 G. All charter schools established and operated in accordance with the
5 provisions of this Chapter shall comply with the provisions of R.S. 39:1301 through
6 1315. Each Type 1, 3, and 4 charter school annually shall submit its budget to the
7 local school board that approved its charter, and such board shall submit the charter
8 school's budget to the state superintendent of education in accordance with the
9 provisions of R.S. 17:88. Each Type 1B charter school annually shall submit its
10 budget to its authorizer. Each Type 2 and Type 5 charter school annually shall
11 submit its budget directly to the state superintendent of education.

12 * * *

13 §3998. Reports; review

14 A. Each chartering authority shall report to the state board on the number of
15 schools chartered, the status of those schools, and any recommendations the
16 authority has by July first of each year.

17 B. Each charter school shall be reviewed by its chartering authority after the
18 completion of the third year. If the charter school is achieving its stated goals and
19 objectives pursuant to its approved charter, then the chartering authority shall extend
20 the duration of the charter for a maximum initial term of five years as provided in
21 R.S. 17:3992(A)(1). If the charter school is not achieving its stated goals and
22 objectives pursuant to its approved charter, then the chartering authority shall not
23 extend the duration of the charter, and the charter shall expire at the end of the
24 school's fourth year.

25 * * *

26 §4001. Louisiana Charter School Start-Up Loan Fund; creation; purpose;
27 distribution

28 A. The Louisiana Charter School Start-Up Loan Fund, hereafter referred to
29 as the "fund", is hereby created within the state treasury for the purposes of

1 providing a source for funding no-interest loans to assist both existing and new Type
2 1, Type 1B, Type 2, or Type 3 charter schools with initial start-up funding and for
3 funding the administrative and legal cost associated with the charter school program.

4 * * *

5 C.(1) The state board shall administer the use of the monies appropriated
6 from the fund and shall adopt rules in accordance with the Administrative Procedure
7 Act. The adopted rules shall specify that state board approval of any Type 2 charter
8 school proposal that includes within its budget a request for loan funding ~~which~~ that
9 complies with the provisions of this Section and details regarding how those loan
10 funds are to be expended, shall constitute the approval of ~~that~~ such loan amount. No
11 additional loan application paperwork shall be required. Any Type 1 or Type 3
12 charter school approved by their local school board and a Type 1B charter school
13 approved by a certified local charter authorizer shall be required to submit no more
14 than their approved charter proposal and a detailed budget identifying how any loan
15 funds are to be expended and how such request complies with the provisions of this
16 Section. The state board may reject any such request ~~which~~ that does not comply
17 with terms of this Section. ~~Such~~ The rules shall also note that any loan funding may
18 be used only to purchase tangible items such as equipment, technology, instructional
19 materials, and facility acquisition, upgrade, and repairs. Such equipment or other
20 items shall become the property of the state if the loan is not fully repaid by virtue
21 of the school ceasing to operate during the three years of automatic loan repayment
22 as noted in Paragraph (3) of this Subsection.

23 (2) Loans shall be made only to Type 1, Type 1B, Type 2, and Type 3
24 charter schools and shall not exceed one hundred thousand dollars to pay for charter
25 school start-up and early operating expenses. No money lent as provided in this
26 Section may be used to pay prior debts of the nonprofit corporation which formed
27 the charter school, any of the natural persons principally involved in forming the
28 charter school, or any former or current business or nonprofit venture of any such
29 natural persons for any purchase not related to the creation of the charter school, or

1 to pay to members of the immediate family of any such natural persons, or to make
2 any investments.

3 * * *

4 Section 2. R.S. 17:3991(B)(9) and 3996(A)(16) and (B)(4) are hereby repealed in
5 their entirety.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Whitney

HB No. 542

Abstract: Relative to the administration, operation, approval, conversion, and funding of charter schools and the authority of the State Board of Elementary and Secondary Education, local public school boards, and charter authorizers with respect thereto.

Present law provides generally for charter schools, which are public schools that operate somewhat independently of the local school board but pursuant to a charter agreement. Generally, a nonprofit organization that wishes to run a charter school, the "chartering group", applies to the local school board or to the State Board of Elementary and Secondary Education (BESE), the "chartering authority", for permission to operate a school. If the application is approved, the chartering authority enters an agreement with the chartering group, and the agreement specifies the goals and objectives and terms and conditions applicable to the particular school.

Chartering Process

Present law requires that BESE approve a common charter application, developed by the Dept. of Education, for use by all chartering authorities including school boards, BESE, and local charter authorizers. Proposed law retains present law.

Present law requires that BESE recruit chartering groups that offer programs that address regional workforce needs; such programs may include vocational and technical education and industry-based certifications. Proposed law retains present law.

Present law provides for the duties of local school boards in chartering schools. Present law provides generally as follows:

- (1) Present law requires the school board to determine whether a proposed charter is valid, complete, financially well-structured, and educationally sound, whether it provides for a master plan for improving behavior and discipline in accordance with present law, whether it provides a plan for collecting data in accordance with present law, and whether it offers potential for fulfilling the purposes of the charter school law. Requires a transparent application review process that complies with standards established by the National Association of Charter School Authorizers. Requires that school boards post specified information regarding charter applications on their websites. Proposed law retains present law.
- (2) Present law requires an independent evaluation of the charter proposal by a third party possessing educational, organizational, legal, and financial expertise. Present law provides that if a potential chartering entity believes the local school board or

charter authorizer has not complied with the rules regarding evaluating charters, the entity may submit its application directly to BESE.

- (3) Present law requires that school boards act to evaluate proposed charters within time lines established by BESE that are consistent with national best practices. Provides that the BESE time lines shall provide for an annual charter application process and afford school boards at least 90 days to evaluate applications. Present law further requires that each school board use the common charter application developed by the department and approved by BESE, but authorizes the school board to request additional information.
- (4) Present law provides that if a local board fails to comply with present law regarding application for charters, the charter applicant may submit its proposal to BESE. Requires BESE to determine whether the local board failed to comply with present law and if it so determines, it may review the charter proposal.

Proposed law retains present law.

Relative to the evaluation of charter proposals by BESE, present law requires that BESE create a process for authorizing multiple charter schools for chartering groups that have a demonstrated record of success including groups that do not operate any schools in La. A group that meets qualifications established by BESE may enter agreements with BESE to operate more than one charter school under a single agreement. Proposed law retains present law.

Present law provides that a charter may be approved subject to other conditions if the parties agree. Further provides that if the local school board or local charter authorizer seeks to amend the charter agreement in a manner that is unacceptable to the charter school or if the charter school finds requested terms for charter renewal to be unacceptable, the charter school may apply to BESE for a charter. Requires BESE to notify the local school board or local charter authorizer of the request and permit the local school board to respond prior to any action. Proposed law retains present law.

Present law provides that if a school system is academically in crisis or has received a "D" or an "F" under the school and district accountability system, a charter application that would otherwise be made to the local school board may be made to BESE. Proposed law retains present law.

Relative to admission requirements for proposed charters, present law requires that such charters contain or provide for a system for admission decisions that prohibits exclusion of students based on race, religion, special education needs, and other specified factors. Permits admission requirements related to a school's mission such as auditions for performing arts schools or proficiency in a foreign language for schools with a language immersion mission. Under present law only schools chartered prior to July 1, 2012, may incorporate achievement of a certain academic record as part of the admission requirements. Proposed law retains present law.

Present law requires that all instructional staff at a charter school have at least a baccalaureate degree. Proposed law retains present law.

Present law provides that approved charters are valid for an initial period of four years. Further provides that after the initial period, a charter may be renewed for periods of not less than three nor more than 10 years. Proposed law retains present law.

Present law requires that the chartering authority review each charter school after three years. If the school is meeting its goals, the initial charter period may be extended to include the fifth year; if not, the charter expires at the end of the fourth year. Proposed law retains present law.

Present law provides that a charter is automatically renewed if the school has met or exceeded for the three preceding years the benchmarks established for it in accordance with present law, has demonstrated growth in student academic achievement for the three preceding schools years, and has had no significant audit findings during the term of the charter agreement. Further provides that the chartering group that qualifies for automatic renewal and has received a letter grade of "A" or "B" or any variation thereof is eligible to open and operate two additional schools that serve the same grade levels and the same enrollment boundaries without formal application. Requires that the chartering group notify the chartering authority of its intent to open additional charter schools at least 120 calendar days prior to enrolling students and enter a charter agreement at least 90 calendar days prior to enrolling students. Proposed law retains present law.

Present law prohibits persons convicted of or having pled nolo contendere to specified crimes listed in present law (R.S. 15:587.1(C)) from being hired by a charter school as a teacher, substitute teacher, bus driver, substitute bus driver, or janitor, or as a temporary, part-time, or permanent school employee of any kind, unless approved in writing by a district judge and the district attorney or, if employed on an emergency basis, unless approved in writing by the administrator of a chartering authority. Present law crimes include but are not limited to first and second degree murder, aggravated rape, sexual battery, aggravated kidnaping, incest, carnal knowledge of a juvenile, molestation of a juvenile, prostitution, crime against nature, child desertion, cruelty to the infirmed, obscenity, and distribution or possession with intent to distribute certain narcotic drugs. Proposed law retains present law.

Proposed law makes technical changes to present law.

Local Charter Authorizers

Present law requires that BESE establish procedures for certifying other entities, other than BESE itself and local school boards, as "local charter authorizers". State agencies and nonprofit corporations with an educational mission may be certified as local charter authorizers. An entity which has been certified by BESE as a local charter authorizer may accept, evaluate, and approve applications for charter schools from chartering groups. Proposed law retains present law.

Present law further provides that BESE:

- (1) Shall not certify a nonprofit corporation as a charter authorizer unless it has been in existence for at least three years and it has at least \$500,000 in assets.
- (2) Shall not certify a chartering group as a local charter authorizer.
- (3) Shall not certify more than five local charter authorizers to operate in any Regional Labor Market Area, as defined by the La. Workforce Commission, at any given time.

Proposed law retains present law.

Present law provides for monitoring and standards for local charter authorizers and the schools they charter by BESE. Proposed law retains present law.

Present law provides that the initial certification of a local charter authorizer shall be for a period of five years. Certification may be renewed for periods of not less and three and not more than 10 years. Further requires BESE to conduct a thorough review of schools chartered by the local charter authorizer every three years, renewal of certification and continuing authority to authorize charter schools are dependent on the grades received by the schools chartered by the authorizer. If a local charter authorizer loses its certification, its schools are transferred to BESE or the Recovery School District as charter schools.

Present law authorizes BESE to rescind a charter issued by a local charter authorizer if BESE finds that the local charter authorizer failed to comply with procedures and requirements in approving the charter. Present law further authorizes BESE to rescind a charter approval or agreement between a local charter authorizer and a chartering group if the chartering group has been found by the state board to have a repeating pattern of abuse, neglect, and mistreatment of students. Proposed law remove the necessity for repetition from the pattern of abuse, neglect, or mistreatment as a grounds for rescision of a charter.

Proposed law prohibits the certification of any local charter authorizer which has an officer, administrator, director, or any person having managerial authority who has been convicted of or has pled nolo contendere to any crime defined as a felony or has been convicted under the laws of any other state or of the U.S. or of any foreign government or country of a crime which, if committed in this state, would be a felony. Provides that this prohibition shall not apply to any person who has been pardoned or if more than 15 years have elapsed after the date of the completion of his original sentence. Proposed law retains present law.

Proposed law generally provides that a local charter authorizer is subject to the same requirements regarding the process for charter applications and evaluations as present law provides for local school boards. Proposed law retains present law.

Present law provides that local charter authorizers may charter new schools or existing schools which convert to charter schools; any such school is referred to as a Type 1B charter school. Provides that pupils who reside within the state are eligible to attend as provided in the charter. Proposed law retains present law.

Present law provides that a state chartered school is a local education agency for purposes of special education funding and that the local school board is the local education agency for charter schools it has authorized. Further provides that a school authorized by a local charter authorizer is a local education agency. Proposed law retains present law.

Present law provides that assets acquired by a charter school (except Type 4) are the property of that school for the duration of that school's charter agreement, including schools chartered by a charter authorizer. Further requires that assets that become the property of a local charter authorizer be used solely for purposes of operating charter schools. Proposed law retains present law.

Present law requires that all charter schools adopt budgets in accordance with the La. Local Government Budget Act. Further requires that all schools approved by a charter authorizer must submit their budgets to their local charter authorizer. Proposed law retains present law.

Present law establishes the La. Charter School Start-Up Loan Fund to provide no-interest loans to assist charter schools get started. Proposed law provides that schools authorized by local charter authorizers are eligible for loans from the fund. Proposed law retains present law.

Proposed law makes technical changes to present law.

(Amends R.S. 17:3973(2)(b)(iv) and (3) through (7), 3974, 3981(4), (7), and (8), 3981.1, 3981.2, 3982, 3983(A)(2)(a)(i) and (iii) and (d), (3)(a) and (d), and (4)(a), (b), and (d), (B)(2),(D), and (E)(3), 3991(B)(3) and (13), (C)(1)(c)(iv) and (6), (D)(2)(a)(i), and (H), 3992(A)(1) and (D), 3995(A)(1)(introductory paragraph) and (c) and (4)(a), 3996(C) and (G), 3998, 4001(A) and (C)(1) and (2); Repeals R.S. 17:3991(B)(9) and 3996(A)(16) and (B)(4))