2016 Regular Session

HOUSE BILL NO. 879

BY REPRESENTATIVE BOUIE

SCHOOLS/CHARTER: Prohibits for-profit operators of charter schools

1	AN ACT		
2	To amend and reenact R.S. 17:1990(B)(2)(a) and 3997(A)(1)(b) and to enact R.S.		
3	17:3991(E)(6), relative to the management and operation of charter schools,		
4	including those under the jurisdiction of the Recovery School District; to prohibit		
5	charter school governing authority from contracting or entering into an agreement		
6	with a for-profit entity to operate the school; to provide with respect to existing		
7	contracts and renewals of existing contracts; and to provide for related matters.		
8	Be it enacted by the Legislature of Louisiana:		
9	Section 1. R.S. 17:1990(B)(2)(a) and 3997(A)(1)(b) are hereby amended and		
10	reenacted and R.S. 17:3991(E)(6) is hereby enacted to read as follows:		
11	§1990. Recovery School District; creation; governance; operation		
12	* * *		
13	В.		
14	* * *		
15	(2)(a) The school district may provide for the supervision, management, and		
16	operation of a school placed under its jurisdiction and receive, control, and expend		
17	the local, state, and federal funding attributable to that school, with all the same		
18	power and authority as the prior system from which it was transferred subject to the		
19	requirements of this Section, R.S. 17:10.5, or 10.7, or with any other power and		
20	authority otherwise granted to the district by law. As it relates to schools transferred		

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	pursuant to R.S. 17:10.7, the authority of the school district is also subject to the			
2	approval by the state board of the plan submitted pursuant to R.S. 17:10.7(B)(2)(b).			
3	The district shall not contract or enter into any agreement with a for-profit			
4	organization, corporation, or other legal entity for the management or operation of			
5	any school under its jurisdiction. The district may contract with for-profit providers			
6	for the general operation of and any needed services for a school under its			
7	jurisdiction.			
8	* * *			
9	§3991. Charter schools; requirements; limitations; renewal; amendment; revocation			
10	* * *			
11	E. A charter school shall not:			
12	* * *			
13	(6)(a) Enter into a contract or other agreement with a for-profit organization,			
14	corporation, or other legal entity to manage or operate the charter school.			
15	(b) The provisions of this Paragraph shall not apply to any contract or			
16	agreement in effect on June 30, 2016, but shall apply to any new contract or renewal			
17	or extension of an existing contract entered into on or after July 1, 2016.			
18	* * *			
19	§3997. Charter school employees			
20	A.(1)			
21	* * *			
22	(b) The nonprofit organization shall have exclusive authority over all			
23	employment decisions at the charter school. schools. However, as provided for in the			
24	charter, a nonprofit organization may enter into a contract with a for-profit			
25	organization to manage the charter school and may delegate to the for-profit			
26	organization such authority over employment decisions at the charter school as the			
27	nonprofit organization deems necessary and proper. Any delegation of this authority			
28	must be specifically delegated in a service provider agreement.			
29	* * *			

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Section 2. This Act shall become effective on July 1, 2016.

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)]

HB 879 Original	2016 Regular Session	Bouie
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Abstract: Prohibits a charter school from contracting or otherwise entering into an agreement with a for-profit entity to manage or operate the school.

<u>Proposed law</u> prohibits a charter school from entering into a contract or agreement with a for-profit entity to manage or operate a charter school. Provides that <u>proposed law</u> does not apply to a contract or agreement in effect on June 30, 2016, but shall apply to any new contract or renewal or extension of an existing contract entered into on or after July 1, 2016.

<u>Present law</u> (R.S. 17:3997(A)(1)(b)) grants a nonprofit organization that establishes a charter school exclusive authority over school employment decisions. Authorizes the nonprofit organization, as provided in the charter, to contract with a for-profit organization to manage the charter school and to delegate to the for-profit organization authority over employment decisions, such delegation to be specified in a service provider agreement. <u>Proposed law</u> deletes the authority for the nonprofit organization to contract with a for-profit organization to manage the school. Otherwise retains <u>present law</u>.

<u>Present law</u> (R.S. 17:1990(B)(2)(a)), authorizes the Recovery School District (RSD) to contract with for-profit providers for the general operation of and any needed services for a school under its jurisdiction. <u>Proposed law</u> prohibits the RSD from contracting or entering into an agreement with a for-profit organization, corporation, or other legal entity for the management or operation of a school under its jurisdiction, but retains RSD authority to contract with a for-profit provider for needed services.

Effective July 1, 2016.

(Amends R.S. 17:1990(B)(2)(a) and 3997(A)(1)(b); Adds R.S.17:3991(E)(6))