

RÉSUMÉ DIGEST

ACT 151 (HB 899)

2016 Regular Session

Leger

Existing law provides relative to the funding of schools in the Recovery School District (RSD). Requires the state to appropriate annually sufficient funds to each RSD school in an amount equal to 100% of the state share per student of the minimum foundation program (MFP) formula funds for the local public school system from which the RSD school was transferred. Further requires such a system to remit to the RSD a certain amount of local dollars.

Existing law authorizes the Orleans Parish School Board (OPSB) to exclude a limited amount of certain local dollars from its payments to the RSD. Prior law allowed OPSB to exclude up to \$6 million each year. New law lowers the annual maximum amount of excluded local dollars from \$6 million to \$3 million.

Existing law provides for the expiration of the local funds exclusion upon the occurrence of the first of certain potential circumstances, two of which are as follows:

- (1) The extinguishment of the obligation of the costs associated therewith.
- (2) Any OPSB action to reduce the constitutional millage from the level in effect for FY 2009-2010 (except as required pursuant to a property reassessment).

Prior law provided for two additional circumstances triggering such expiration:

- (1) 12 months after the full settlement of OPSB Special Community Disaster Loans.
- (2) 20 tax years from the roll-forward millage adoption.

New law replaces these potential circumstances with the date of June 30, 2030.

In summary, existing law and new law provide that the exclusion shall expire, thereby requiring OPSB to pay its full local share to RSD, upon whichever of these occurs first:

- (1) Extinguishment of the obligation of the costs associated therewith. (As provided in existing law.)
- (2) OPSB's reduction of millage rates below the level in effect for FY 2009-2010. (As provided in existing law.)
- (3) June 30, 2030. (As provided in new law.)

Effective July 1, 2016.

(Amends R.S. 17:1990(C)(2)(a)(iii)(bb) and (cc))