Louisiana Legislative	LEGISLATIVE FISCAL OFFICE Fiscal Note					
Office		Fiscal Note On: HB	3 261 HLS 22RS 769			
Fiscal Notes		Bill Text Version: ENROLLED				
Not the second s		Opp. Chamb. Action:				
		Proposed Amd.:				
		Sub. Bill For.:				
Date: June 7, 2022	9:30 AM	Author	Author: MAGEE			
Dept./Agy.: Special Schools						
Subject: French Immersion School		Analyst: Garrett Ordner				
SCHOOLS		EN INCREASE See Note	Page 1 of			
Creates a French immersion sc	hool in the comm	unity of Pointe-au-Chien in Terrebonne Parish	-			

Proposed legislation provides for creation of École Pointe-au-Chien, a French immersion school for grades prekindergarten through four in Terrebonne Parish. Proposed legislation provides for the creation, membership, terms, powers, voting and compensation of a board of directors for the school. Proposed legislation provides that the school shall act as its own local education agency, and that the school shall be considered a public school included in the Minimum Foundation Program (MFP) formula. Provides that the school shall be funded through appropriations made directly to the school from the state general fund and through funds appropriated for the MFP and allocated to the school by the state Department of Education (LDE). Effective July 1, 2023, except for the provisions relative to the creation of the board of directors, which are effective upon governor's signature.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	INCREASE	INCREASE	INCREASE	INCREASE	\$0
Ded./Other	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	<u>\$0</u>
Annual Total						
REVENUES	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	INCREASE	INCREASE	INCREASE	INCREASE	\$0
Ded./Other	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	<u>\$0</u>
Annual Total	\$0					\$0

EXPENDITURE EXPLANATION

There will likely be an increase in state expenditures resulting from the creation of the École Pointe-au-Chien as an independent, state-run school due to a potential increased Minimum Foundation Program (MFP) allocation for student instruction and state general fund increase for operating expenses. The proposed legislation does not prescribe the year in which the school must begin operating; therefore, the year in which costs will first be incurred is indeterminable.

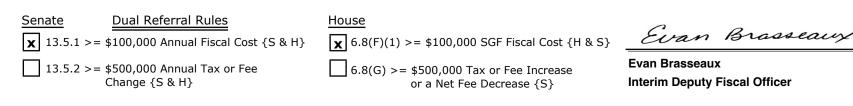
The community of Point-au-Chien in Terrebonne Parish previously contained a public elementary school, Pointe-aux-Chenes Elementary School; however, the school closed after the 2020-21 school year.

Proposed legislation provides that the school shall be funded through the MFP, as well as through any funding appropriated by the legislature. However, it does not provide for the calculation of the MFP allocation, so the Board of Elementary and Secondary Education (BESE) will ultimately determine the funding mechanism through its placement in the MFP formula. Assuming the school would be funded in the same manner as some charter schools whereby the state pays the MFP per pupil amount and the local per pupil share is deducted from the MFP funding for the school district in which the student otherwise resides, there would be no additional cost to the state for the local MFP allocation currently assessed to school districts. However, there will be increased costs to the state for the local cost allocation if the proposed school is instead funded in the same manner as existing special schools. Note: See next page for additional MFP funding considerations regarding International Language Associates.

EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

REVENUE EXPLANATION

There will be an increase in self generated revenues for state agencies such as the Teachers Retirement System of Louisiana (TRSL), Office of Group Benefits, Office of Risk Management, Civil Service, Office of the Legislative Auditor, Office of Telecommunications Management, and other state agencies that collect user fees from state entities. The amount of such impact is indeterminable at this time. To the extent the state pays the local portion of MFP funds for the school, MFP funding for districts will only decrease by the amount of the state allocation for each pupil that enrolls in École Pointe-au-Chien.



LEGISLATIVE FISCAL OFFICE Louisiana egislative 🕴 **Fiscal Note** Fiscal HB Office Fiscal Note On: 261 HLS 22RS 769 Fiscal Bill Text Version: ENROLLED Notes Opp. Chamb. Action: Proposed Amd .: Sub. Bill For.: 9:30 AM Date: June 7, 2022 Author: MAGEE Dept./Agy.: Special Schools Analyst: Garrett Ordner Subject: French Immersion School

CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

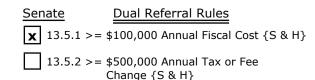
For illustrative purposes, the LFO assumes an initial enrollment count of 100 students in the new school. The proposed 2022 -23 MFP formula budget letter allocates \$9,237 in state (\$5,269) and local (\$3,986) funding per student for the Terrebonne Parish School District. At this rate and assuming all students are residents of Terrebonne Parish, the school would receive \$923,700 in MFP funding, although the actual impact to the state and local school districts will vary based on student residency and the manner in which BESE funds the school through the MFP. If the school is funded in the same manner as the New Orleans School for Creative Arts (NOCCA), a special school that does not have a residential component, the state would pay both the state and the local share as determined by the parish in which the student otherwise resides. Should BESE adopt an MFP formula that funds the school in a similar manner, state costs would increase by an estimated \$3,986 per pupil, or \$398,600. Actual costs will depend on student enrollment and the parish in which the student resides. Local districts in which students were previously enrolled may experience reduced instructional costs.

As a French immersion program, many of the faculty would likely qualify for a salary supplement through the MFP: an International Language Associate Salary Allocation of \$21,000 each; these International Language Associate faculty would also receive an additional \$6,000 stipend if they are in their first year of teaching, and \$4,000 if they are in their second or third year of teaching.

In addition to the MFP allocation, NOCCA receives state general fund direct appropriations to support its specialized instructional needs. The cost is indeterminable and will depend upon the number and characteristics of the students enrolled.

École Pointe-au-Chien will experience operating expenses as a result of becoming a state entity. All state agencies are required to participate in the state retirement system and group insurance, as well as share the cost of support services such as risk management, telecommunications, procurement, state buildings and grounds, civil service, and the legislative auditor. However, those costs are indeterminable at this time.

Note: A companion bill, HB250, provides for statutory dedication funding to the school through the Education Excellence Fund (EEF). Under HB250, the proposed school would receive \$75,000 plus an additional amount based upon the statewide average per-pupil allocation from the fund.



House **X** 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

Evan Brasseaux

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6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}