



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 583** HLS 24RS 582
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 24, 2024 2:50 PM	Author: AMEDEE
Dept./Agy.: EDUCATION	
Subject: Options for certain students to pursue a French immersion education	Analyst: Julie Silva

SCHOOLS/CHOICE OR INCREASE GF EX See Note Page 1 of 2
 Provides for school choice with respect to foreign language immersion

Proposed legislation narrows the scope of the International School of Lafayette to create a French immersion school for students in grades pre-K through 12, renamed to "L'Academie de la Louisiane", governed by a 16-member board of directors and funded in the same manner as other public schools contained in the MFP budget letter, as approved by BESE. Additionally provides that Ecole Pointe-au-Chien add grade five and may extend services beyond grade five, at the discretion of its board.

Proposed legislation requires that if a foreign language program is ended by a local school board, despite having 20 students enrolled, the board shall remit any funds received through the MFP foreign language teacher salary supplement to LDOE. Further authorizes the parents of at least 25 students who submit a request to a local school board, in writing, for establishment of a foreign language immersion program, may appeal decisions by the local board to BESE. In the event a local school board does not fulfill parents' request to establish a foreign language program, they may request approval as a charter school or request École Pointe-au-Chien, L'Academie de la Louisiane, or a Type 2 charter school with an immersion program to open a new campus in an area that can serve their children. Effective upon governor's signature.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW					

Annual Total

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	INCREASE	INCREASE	INCREASE	INCREASE	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0

Annual Total \$0

EXPENDITURE EXPLANATION

There will be an increase in state expenditures resulting from the creation of an independent, state-run French immersion school in Baton Rouge, *L'Academie de la Louisiane*. Additional increases are also expected due to the requirement that Ecole Pointe-au-Chien, the existing independent, state-run French immersion school in Terrebonne Parish, expand its original program to include the fifth grade, as directly required in the bill and increase further if its independent school board opts to expand beyond the fifth grade, as permitted in the bill. Finally, to the extent either of these schools receives a request to develop and operate a satellite campus or campuses, and such request is approved and operation implemented, additional increases would result.

Proposed legislation (L'Academie de la Louisiane) and current law (Ecole Pointe-au-Chien) provide that the schools shall be funded through the Minimum Foundation Program (MFP), as well as through any funding appropriated by the legislature. Proposed legislation does not provide for the calculation of the MFP allocation for L'Academie de Louisiane (as it did not for Ecole Pointe-au-Chien in its originating legislation) so the Board of Elementary and Secondary Education (BESE) will ultimately determine the funding mechanism through the school's placement in the MFP formula. No matter the method BESE chooses for including L'Academie de la Louisiane in the MFP formula, there will be an increase in expenditures to provide the required MFP allocation for student instruction and an additional allocation of SGF for operating expenses.

The proposed legislation does not prescribe the year in which L'Academie de la Louisiane must begin operating; therefore, the year in which costs will first be incurred is indeterminable. Ecole Pointe-au-Chien anticipates, based on its current plan in regards to growth, a fifth grade will be added for the 2027-28 school year. Any increase in expenditures related to this would then be expected to occur in FY 28. Additional information on potential impacts to Statutory Dedication, Local Funds, and SGF expenditures is included on page two of this note.

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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, Legislative Auditor, Office of Telecommunications Management, and other state agencies that collect service 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 for L'Academie de la Louisiane, MFP funding for districts will only decrease by the amount of the state allocation for each pupil that instead enrolls in the school.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


Patrice Thomas
Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:

L'Academie de la Louisiane

Assuming L'Academie de la Louisiane is 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, which the LFO assumes to be the most likely scenario.

For illustrative purposes, the LFO assumes an initial enrollment count of 100 students in the new school. The proposed 2024-25 MFP formula allocates a total of \$9,095 per student for the East Baton Rouge Parish School District. The local responsibility is \$4,662 and the state's is \$4,443. At this rate, and assuming all 100 students are residents of East Baton Rouge Parish, the school would receive \$909,500 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 Level 4, as is intended for Ecole Pointe-au-Chien, a similar French immersion, state-operated school, the state would pay both the state and the local portions, as determined by the parish in which the student otherwise resides. Should BESE adopt an MFP formula in this way, using the same example above, state costs would increase by an estimated \$4,443 per pupil, or \$444,300. **For these reasons, actual MFP allocations will depend on the number of students enrolled and their parish of residence.** 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. This would be an additional cost to the MFP, though the supplement has a cap of 300 teacher participants each year. L'Academie de la Louisiane will incur 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. These costs are indeterminable at this time.

Ecole Pointe-au-Chien

The addition of the fifth grade at Ecole Pointe-au-Chien will result in an increase in expenditures. Additional increases are dependent on whether or not the school's governing board exercises the provision in proposed legislation permitting expansion beyond fifth grade. Ecole Pointe-au-Chien currently provides education for nine students in kindergarten and first grade. Pre-K and second grade will be added in the 2024-25 school year, with one additional grade added each year thereafter. Under proposed legislation, a fifth grade will be added for the 2027-28 school year. Adding the fifth grade, and any other additional grades, would require Ecole Pointe-au-Chien to hire additional teachers and support staff as well as increase the cost of operating expenses. Based on information provided from the school, for each grade added an additional English Language Arts teacher (\$61,075 salary and related benefits) and an additional French teacher (\$54,500 salary and related benefits) would need to be hired.

Satellite Campuses of French Immersion Schools

Proposed legislation further provides that certain groups of parents can request the administrations of École Pointe-au-Chien or L'Académie de la Louisiane to open a campus in an area that can serve their children. It is assumed these satellite schools would be beholden to the same requirements as their originating school and incur the same expenses, dependent on enrollment and physical location. Funding will be dependent on how BESE opts to include satellite campuses in the MFP calculation. The total impact is indeterminable, as it will only be incurred to the extent a group or groups of parents make this request and that either immersion school approves any such request. Total costs would also be dependent on student enrollment counts, the number of grade levels offered, and the location of such satellite campuses.

NOTE: The MFP is funded using both Statutory Dedications and SGF; therefore, impacts to both are assumed when changes are made to the MFP formula.

Local Funds

Local fund expenditures may be impacted as a result of the provision that if a foreign language program is ended by a local school board, despite having 20 students enrolled, the board is required to return any funds received through the MFP foreign language teacher salary supplement to the Louisiana Department of Education (LDOE). Local school districts may also experience an increase in expenditures due to the requirement that they establish French language immersion programs for students if at least 25 students request it. If the school system denies a program, then the parents may appeal to LDOE. If the program is still denied, then parents may open a charter school (Type 1 or Type 2), or request a charter school with an immersion program, Ecole Pointe-au-Chien, or L'Academie de la Louisiane to open an immersion program in the area. This may result in increased costs to local school systems, or the state if authorized as a Type 2 charter school. Local districts in which students were previously enrolled may experience reduced instructional costs.

Senate

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House

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

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


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