
DIGEST

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HB No. 1347

Abstract: Creates the Student Scholarships for Educational Excellence Program to provide funds to eligible students to attend participating public and nonpublic schools.

Proposed law creates the Student Scholarships for Educational Excellence Program for a student who resides within the geographic boundaries of a covered district, is a member of a family with a total income that does not exceed 250% of the current federal poverty guidelines, is eligible to participate in the federal free and reduced cost lunch program, and who meets any one of the following criteria:

- (1) Is entering kindergarten.
- (2) Was enrolled in a public school located within a covered district during the previous school year in a program eligible grade and such school has been identified as a failing school as defined by the State Board of Elementary and Secondary Education pursuant to the school and district accountability system policies.
- (3) Received a scholarship pursuant to proposed law in the previous school year and remains otherwise eligible.

Provides that for the 2008-2009 school year, students shall be eligible to receive their initial scholarships when entering kindergarten or when entering the first, second, or third grade if they attended public school in a covered district during the previous school year. Provides that students in grades four through 12 are eligible for scholarships as additional grade levels are added to the program.

Provides that eligible students shall remain eligible to receive scholarships in each succeeding year that they remain enrolled in a participating school through grade 12. Provides that as the 2008-2009 cohort of eligible students advances in grade level, one additional grade level of eligibility shall be added to the program, beginning in 2009-2010. Further provides that student eligibility continues if a student transfers from one participating school to another participating school.

Provides for legislative findings and provides for definitions, including the following:

- (1) "Covered district" means a local public school system which meets all of the following criteria:

- (a) Has been found to be academically in crisis pursuant to present law, R.S. 17:10.6.
 - (b) Has had schools transferred to the jurisdiction of the Recovery School District pursuant to present law, R.S. 17:10.7.
 - (c) Is located in a parish with a population of at least 475,000 persons according to the latest federal decennial census.
- (2) "Participating school" means a nonpublic school that meets program requirements and seeks to enroll eligible students pursuant to proposed law or a public school located within the geographic boundaries of a covered district that meets program requirements and seeks to enroll eligible students pursuant to proposed law.
 - (3) "Scholarship" means the funds awarded to a parent or other legal guardian on behalf of an eligible student to attend a participating school pursuant to proposed law.

Provides that to be eligible to participate in the program, a nonpublic school shall meet all of the following criteria:

- (1) Be approved, provisionally approved, or probationally approved by the State Board of Elementary and Secondary Education pursuant to present law, R. S. 17:11.
- (2) Comply with the criteria set forth in *Brumfield, et al. v. Dodd, et al.* 425 F. Supp. 528.
- (3) Shall have been in existence for at least three years prior to the first year of implementation of the program.

Provides that to be eligible to participate in the program, a public school shall be determined to be academically acceptable pursuant to the La. School and District Accountability Program.

Provides that eligible students enrolled in a participating school that fails to meet proposed law eligibility criteria may transfer to another participating school for the succeeding school year without loss of eligibility and shall be given preference for enrollment at other participating schools.

Requires each participating school to:

- (1) Within 60 days after the scholarship program admissions period as scheduled by the Dept. of Education, notify the applicant in writing whether the applicant has been accepted.
- (2) Use an open admissions process in enrolling eligible students and shall not require additional criteria other than those specified in proposed law. In the event that there are more eligible students applying for enrollment in a participating school than there are available seats, select eligible students for admission utilizing a random selection process

that provides each eligible student with equal opportunity for selection. Authorizes a participating school to give preference to siblings of a student who is already enrolled in the participating school and provides that for purposes of the random selection process, twins, triplets, quadruplets, and other such multiple births shall constitute one individual. Requires participating schools to notify the department of any eligible student not selected by random selection so that the Dept. of Education may notify those students of other participating schools with an available seat. Provides that in the event that the student not selected does not wish to enroll in another participating school, the school shall add the student to a waiting list so that he may be enrolled when a seat becomes available. Provides that students may remain on more than one participating school's waiting list; however, upon enrolling in a participating school, their names shall be removed from waiting lists maintained by other participating schools.

- (3) Notify the Dept. of Education of eligible students enrolled.
- (4) Submit to the Dept. of Education an independent financial audit of the school conducted by a certified public accountant who has been approved by the legislative auditor. Requires that such audit be accompanied by the legislative auditor's statement that the report is free of material misstatements and fairly presents the participating school's actual cost of educating a student. Limits such audit to those records necessary for the department to make scholarship payments to the participating school. Requires that the audit be submitted to the legislative auditor for review and investigation of any irregularities or audit findings and requires the participating school to return to the state any funds that the legislative auditor determines were expended in a manner inconsistent with state law or program regulations.
- (5) Accept the scholarship amounts provided to eligible students as full payment of all educational costs, with the exception of incidental or supplementary fees, that are charged to all enrolled students, including but not limited to meals, field trips, and before- or after-school care.
- (6) Upon enrolling eligible students pursuant to proposed law, allow such students to remain enrolled in the school if the school voluntarily withdraws from the program provided that continued funding is appropriated by the legislature. Permits students to be expelled from the school according to the school's discipline policy or disqualified from enrollment in subsequent years if the student is no longer eligible for the program as determined by the Dept. of Education.
- (7) Prior to enrollment, inform the parent or other legal guardian of an eligible student of any and all rules, policies, and procedures of such school, including but not limited to academic policies, disciplinary rules, and procedures of the school. Provides that enrollment of an eligible student in a participating school constitutes acceptance of any such rules, policies, and procedures of such school.

Requires any school that wishes to participate in the program and enroll eligible students

annually to notify the Dept. of Education of its intent to participate in the program by Feb. 1 of the previous school year; except that for the 2008-2009 school year, a school that seeks to participate in the program shall notify the department not later than July 30, 2008. Requires that the notice specify the number of eligible students for which the school has space, if such number can be ascertained.

Requires a participating nonpublic school to administer a nationally normed standardized test to eligible students in the third through 12th grades. Further requires the participating nonpublic school to ensure that eligible students are administered all examinations required pursuant to the Louisiana School and District Accountability System at the prescribed grade levels including the Louisiana Educational Assessment Program and graduation exit examinations.

Provides that participation in this program by a school is voluntary and provides that proposed law shall not authorize any additional regulation of participating schools beyond that specifically authorized by proposed law.

Provides that a covered district that is eligible for inclusion in the program on the effective date of proposed law shall be considered a covered district for the duration of the program.

Provides for program administration by the state Dept. of Education and requires the department, in administering the program to:

- (1) Determine student eligibility for scholarships.
- (2) Award scholarships to parents or other legal guardians of eligible students who enroll in a participating school.
- (3) Receive the notice of intent from schools seeking to participate in the program and qualify such schools for participation in the program.
- (4) Determine the actual cost of providing educational services to an eligible student.
- (5) Remit scholarship payments to participating schools on behalf of an eligible student.
- (6) Receive independent financial audits from participating nonpublic schools as required by proposed law.
- (7) If there are more eligible students applying for enrollment in a participating school than there are available seats, ensure that the school selects eligible students for admission utilizing a random selection process that provides each eligible student with equal opportunity for selection.
- (8) Annually verify the eligibility status of each student and notify his parent or other legal guardian of his status.

- (9) Provide each eligible student and his parent or legal guardian with a list of schools participating in the program each year.

Provides that the amount of the scholarship provided to an eligible student shall be an amount equivalent to 90% of the per pupil amount the covered district receives from combined state and local sources, or a participating school's actual cost of educating a student including incidental or supplementary fees that are charged to all enrolled students, whichever is less. Prohibits the amount of the scholarship from exceeding the maximum amount of tuition charged to a non-scholarship student enrolled in such school.

Provides that for an eligible student who is entitled to receive special education services, there shall be added to the amount of the scholarship an amount equivalent to special education funding provided to a covered district for such a student from federal sources. Provides that a participating public school receiving a scholarship payment for an eligible student pursuant to proposed law shall not receive any funds through the Minimum Foundation Program for such student.

Provides that the Dept. of Education shall remit scholarship payments directly to each participating school on behalf of the parent or other legal guardian of an eligible student and requires the parent or other legal guardian to assign the full value of the scholarship to the participating school.

Provides that the amount to be paid for a scholarship shall be divided into four equal payments to be made to each participating school. Provides that payments shall be based on per pupil count dates as determined by the Dept. of Education. Prohibits refunds to the department or to the parent or other legal guardian if the eligible student withdraws from the program or is otherwise not enrolled prior to the next count date.

Provides that funding for scholarships awarded to eligible students pursuant to proposed law shall be provided by an appropriation from the legislature from the state general fund.

Further requires the department to report annually to the Senate and House education committees and the Joint Legislative Committee on the Budget regarding the implementation of the program, including the number of eligible students receiving scholarships and a list of participating schools, along with the number of eligible students each school has enrolled.

Requires the State Board of Elementary and Secondary Education to adopt and promulgate rules and regulations in accordance with the Administrative Procedure Act to implement proposed law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 17:4011-4025)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Education to the original bill.

1. Adds the following statement to legislative findings:

"Academically acceptable public schools located in parishes physically contiguous to parishes in which the public school system has been found to be academically in crisis can serve as quality alternatives for students attending low-performing public schools."
2. Defines "Covered district" as a local public school system which meets all of the following criteria:
 - (a) Has been found to be academically in crisis pursuant to R.S. 17:10.6.
 - (b) Has had schools transferred to the jurisdiction of the Recovery School District pursuant to R.S. 17:10.7.
 - (c) Is located in a parish with a population of at least 475,000 persons according to the latest federal decennial census.

Instead of defining "Covered district" as a public school system which is academically in crisis pursuant to R.S. 17:10.6 and which is located in a parish with a population in excess of 475,000 according to the latest federal decennial census, and the La. Recovery School District to the extent of its operation in such parish.

3. In the definition of "Eligible student", specifies that the student is eligible if he is a member of a family with a total income that does not exceed 250% of the current federal poverty guidelines instead of 300% of such guidelines and adds as an eligibility criteria that the student is eligible to participate in the federal free-and reduced cost lunch program.
4. Deletes requirement that the Dept. of Education annually notify each eligible student and their parent or legal guardian regarding the student's eligibility status and instead requires the department to annually verify the eligibility status of each student enrolled in the program and notify his parent or other legal guardian of his status by not later than June 30th.
5. Relative to scholarship amounts for eligible students who are entitled to receive special education services, requires that there be added to the scholarship amount an amount equivalent to special education funding provided to a covered district for such a student from federal sources, instead of an amount equivalent to any special education funding provided from federal sources.

6. Deletes provision stating that the additional amount (as specified in summary (5) above) shall not be subject to the 10% reduction established for regular education students in proposed law.
7. Adds that payments shall be based on per pupil count dates as determined by the Dept. of Education and prohibits refunds to the department or to the parent or other legal guardian if the eligible student withdraws from the program or is otherwise not enrolled prior to the next count date.
8. Relative to students being eligible to receive their initial scholarships when entering kindergarten, first, second, or third grade under certain circumstances, specifies that such provision shall apply for the 2008-2009 academic year.
9. Adds that as the 2008-2009 cohort of eligible students advances in grade level, one additional grade level of eligibility shall be added to the program, beginning in 2009-2010.
10. Adds that an eligible student enrolled in a participating school that fails to meet proposed law eligibility criteria shall be given preference for enrollment at other participating schools.
11. Relative to the requirement that each participating school notify the applicant about his acceptance, specifies that such notification shall occur within 60 days after the scholarship program admissions period as scheduled by the Dept. of Education instead of within 60 days of receiving an admissions application from an eligible student.
12. Adds requirement that participating schools notify the department of any eligible student not selected by random selection so that the Dept. of Education may notify those students of other participating schools with an available seat. Provides that in the event that the student not selected does not wish to enroll in another participating school, the school shall add the student to a waiting list so that he may be enrolled when a seat becomes available. Provides that students may remain on more than one participating school's waiting list; however, upon enrolling in a participating school, their names shall be removed from waiting lists maintained by other participating schools.
13. Relative to the requirement that each participating school submit the auditor's statement along with the required independent financial audit, specifies that such statement be free of material misstatements and fairly presents the participating school's actual cost of educating a student instead of pupil costs to the Dept. of Education.
14. Requires each participating school to:

- (a) Upon enrolling eligible students pursuant to proposed law, allow such students to remain enrolled in the school if the school voluntarily withdraws from the program. Permits students to be expelled from the school according to the school's discipline policy or disqualified from enrollment in subsequent years if the student is no longer eligible for the program as determined by the Dept. of Education.
 - (b) Prior to enrollment, inform the parent or other legal guardian of an eligible student of any and all rules, policies, and procedures of such school, including but not limited to academic policies, disciplinary rules, and procedures of the school. Provides that enrollment of an eligible student in a participating school constitutes acceptance of any such rules, policies, and procedures of such school.
- 15. Deletes provisions authorizing (under specified circumstances) participating nonpublic schools to:
 - (a) Establish separate criteria for the enrollment of students other than eligible students awarded scholarships pursuant to the program.
 - (b) Prior to enrollment, inform the parent or legal guardian of an eligible student who chooses to send his child to a participating school of any and all rules, policies, and procedures of such school, including but not limited to academic policies and disciplinary rules and procedures of the school. Enrollment of an eligible student in a participating nonpublic school constitutes acceptance of any such rules, policies, and procedures of such school, including but not limited to academic policies and disciplinary rules of the school.
 - (c) Except where otherwise prohibited by federal law, elect to admit students of only one gender and may elect to admit students with exceptionalities to the extent that it determines, in its own discretion, that the school is able to provide for their needs.
 - (d) Administer its own policies and disciplinary rules and procedures which may differ from the policies and disciplinary rules and procedures of public schools. However, a participating nonpublic school may, at its discretion, adhere to the same disciplinary procedures used in public schools pursuant to state law.
- 16. Deletes requirement that a participating school ensure that eligible students attending their schools take the Louisiana Educational Assessment Program (LEAP) reading and mathematics tests administered in the 4th and 8th grades to public school students.
- 17. Requires a participating nonpublic school to administer a nationally normed

standardized test to eligible students in the 3rd through 12th grades instead of providing that in lieu of requiring that its eligible students take the LEAP tests, a participating nonpublic school may administer a nationally-normed standardized test to eligible students enrolled in the 4th and 8th grades.

House Floor Amendments to the engrossed bill.

1. Relative to the criteria that an eligible student shall have been enrolled in a public school within a covered district during the previous school year in a program eligible grade, adds that such public school shall be one that has been identified as a failing school as defined by the State Board of Elementary and Secondary Education.
2. Relative to the definition of a "participating school" as it relates to public schools, removes provision that a public school in a school system that is physically contiguous to a covered district may be a participating school.
3. Adds to the list of eligibility criteria for a nonpublic school to be able to participate in the program a requirement that the school has been in existence for at least three years prior to the first year of implementation of the program.
4. Adds requirement that a participating school use an open admissions process in enrolling eligible students and shall not require additional criteria other than those specified in proposed law.
5. Relative to the requirement that each participating school submit a financial audit, adds a requirement that the participating school return to the state any funds that the legislative auditor determines were expended in a manner inconsistent with state law or program regulations.
6. Relative to the requirement that each participating school allow eligible students to remain enrolled in the school if the school voluntarily withdraws from the program, adds that the requirement applies if continued funding is appropriated by the legislature for the program.
7. Adds requirement that a participating school shall ensure that eligible students are administered all examinations required pursuant to the Louisiana School and District Accountability System.
8. Relative to scholarship amounts being equal to the actual cost of educating a student, specifies that such actual cost shall include incidental or supplementary fees and prohibits the amount of the scholarship from exceeding the maximum amount of tuition charged to a non-scholarship student.