

New law creates the Student Scholarships for Educational Excellence Program for eligible students entering kindergarten, first, second, or third grade in the 2008-2009 school year. Provides that eligible students shall be those that reside within the geographic boundaries of a covered district from families with a total income not exceeding 250% of the current federal poverty guidelines. Provides for scholarships to be awarded to eligible students to attend public and nonpublic schools that volunteer to participate in the program. Provides that one additional grade level of eligibility shall be added to the program beginning in 2009-2010 and permits scholarship recipients to remain eligible to receive scholarships in each succeeding year that they remain enrolled in a participating school through grade 12.

Defines "covered district" as a local public school system that has been found to be academically in crisis pursuant to existing law (R.S. 17:10.6), has had schools transferred to the jurisdiction of the Recovery School District (RSD) pursuant to existing law (R.S. 17:10.7), and is in a parish with a population of at least 475,000 persons according to the latest federal decennial census and includes the RSD if RSD schools are located within its geographical boundaries.

Provides eligibility requirements for participating schools and provides program participation requirements for such schools relative to certain notification to applicants, parents of scholarship recipients, and the state Dept. of Education, scholarship recipient admissions procedures, and financial audit submissions.

Additionally requires each participating nonpublic school to ensure that scholarship recipients are administered all examinations required pursuant to the state's school and district accountability program.

Provides for administration of the scholarship program by the state Dept. of Education and requires the department to determine student and participating school eligibility including annual verification of student eligibility status, accept applications, provide certain notification to parents, award scholarships, remit scholarship payments, establish timelines for a random selection process used by participating schools, receive financial audits from participating nonpublic schools and place schools on probation for failure to comply with new law audit requirements, and annually report to the legislature regarding program implementation. Requires the State Board of Elementary and Secondary Education (BESE) to adopt and promulgate rules and regulations in accordance with the Administrative Procedure Act to implement new law.

Relative to scholarship amounts, provides as follows:

- (1) For scholarship recipients attending participating schools that charge tuition, the scholarship amount shall be an amount equivalent to 90% of the per pupil amount the covered district receives from combined state and local sources or the maximum amount of tuition plus incidental or supplementary fees charged to non-scholarship students and any costs incurred in administering the tests required pursuant to new law, whichever is less.
- (2) For scholarship recipients attending participating schools that do not charge tuition, the scholarship amount shall be an amount equivalent to 90% of the per pupil amount the covered district receives from combined state and local sources or the participating school's actual cost of educating a student plus any costs incurred in administering the tests required pursuant to new law, whichever is less.
- (3) For a scholarship recipient entitled to receive special education services, there shall be added to the scholarship amount an amount equivalent to special education funding provided to a covered district for such student from federal sources.

Prohibits participating public schools from receiving any funds through the Minimum Foundation Program for scholarship recipients attending such schools.

Provides that funding for scholarships shall be provided by legislative appropriation from the state general fund and limits the total amount of state funds for such purpose for FY 2008-2009 to no more than \$10 million.

Effective upon signature of governor (June 25, 2008).

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