

2016 Regular Session

HOUSE BILL NO. 899

BY REPRESENTATIVE LEGER

SCHOOLS/DISTRICTS: Provides relative to the allocation of local funds by the Orleans Parish School Board for schools transferred to the Recovery School District

1 AN ACT

2 To amend and reenact R.S. 17:1990(C)(2)(a)(iii)(bb) and (cc), relative to funding of the
3 Recovery School District; to provide with respect to the amount of local funds to be
4 remitted by the Orleans Parish School Board; to provide relative to local revenue
5 exclusions applicable to the Orleans Parish School Board; to provide with respect to
6 the applicability of such exclusions; and to provide for related matters.

7 Notice of intention to introduce this Act has been published
8 as provided by Article III, Section 13 of the Constitution of
9 Louisiana.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 17:1990(C)(2)(a)(iii)(bb) and (cc) are hereby amended and reenacted
12 to read as follows:

13 §1990. Recovery School District; creation; governance; operation

14 * * *

15 C.

16 * * *

17 (2)(a)

18 * * *

19 (iii)

20 * * *

- (3) Earnings from sixteenth section lands owned by the school system.

Proposed law retains present law.

Present law authorizes the Parish of Orleans (hereafter Orleans) to withhold certain extra amounts from its local revenues that would otherwise be transferred to the RSD. Such authorized withholdings are capped at \$6 million each year. Proposed law changes this cap from \$6 million to \$3 million.

Present law further provides that the extra withholdings allowed to Orleans expire upon attainment of the following conditions:

- (1) If the school board does not change millage rates, upon extinguishment of the obligation for which the excluded revenue was used.
- (2) If the school board reduces millage rates below the level in effect for FY 2009-2010, then upon the earlier of:
 - (a) 12 months after the full settlement of Orleans Parish School Board Special Community Disaster Loans.
 - (b) 20 tax years from the roll-forward millage adoption.

Proposed law repeals the provision requiring expiration of the withholdings 12 months after settlement of the Special Community Disaster Loans thus providing that if the school board reduces the millage rates below the level in present law, the withholdings will expire 20 tax years from the roll-forward millage adoption.

Effective July 1, 2016.

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