

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

Person

Preparing

Statement: Ryan Gremillion

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Board of Elementary &
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Return

Address: P. O. Box 94064
Baton Rouge, LA

Rule

Title: Part CLIII. Bulletin 133—
Scholarship Programs

Date Rule

Takes Effect: Upon final adoption by

BESE

SUMMARY

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The Department of Education (LDE) may experience additional costs or workload associated with the required site visits to nonpublic schools participating in the Student Scholarships for Educational Excellence Program that receive a Scholarship Cohort Index (SCI) lower than 50. Potential costs would depend on the number of site visits required, the number of Department staff assigned and the time deemed necessary to conduct the visits, as well as travel costs which will vary by the location of the school. Such costs are indeterminable as no such site visits were conducted in the most recent school year. For illustrative purposes, in 2019, 38 of the 128 participating nonpublic schools in the program received SCI scores, of which 15 schools scored below 50 and would require site visits under the proposed revisions.

In addition, state costs may decrease for each student attending a nonpublic school on scholarship that is removed from eligibility due to the proposed revisions. The proposed revisions would require provisionally accredited approved schools to be removed from the program if they do not receive accreditation within four years of initial program approval, and for schools receiving a SCI below 50 for three consecutive years to be ineligible to participate in the program, beginning in the 2021-22 school year. The average annual scholarship is approximately \$6,200 and varies by school and grade level. Any nonpublic school that is removed from eligibility will result in a corresponding decrease in state expenditures, unless those students transfer to an alternate eligible institution. The number of students that may be impacted in this way is unknown and the net impact on state expenditures is indeterminable.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed revisions will not have an effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

Any nonpublic school that is removed from eligibility will result in a corresponding decrease in state funds for each student attending the school on scholarship. The average annual

scholarship is approximately \$6,200 and varies by school and grade level. The proposed revisions would require provisionally accredited approved schools to be removed from the program if they do not receive accreditation within four years of initial program approval, and for schools receiving a SCI below 50 for three consecutive years to be ineligible to participate in the program, beginning in the 2021-22 school year.

Nonpublic schools may experience increased costs due to accreditation as a result of the proposed revision, however this will vary by accreditation organization and whether the school is currently accredited. For example, Cognia requires schools to pay an annual membership fee of \$1,200 in addition to a one-time engagement review fee which varies according to the length of the review and the size of the school, as well as covering all travel expenses for the review team.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed revisions will not have an effect on competition and employment.

DocuSigned by:
Beth Scioneaux
Signature of Agency Head or Designee

Alan M. Baber
Legislative Fiscal Officer or Designee

Beth Scioneaux, Deputy Superintendent for Management and Finance
Typed Name and Title of Agency Head or Designee

10/7/21
Date of Signature

10/8/21
Date of Signature

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The proposed revisions revise the eligibility criteria schools must meet in order to participate in the Student Scholarships for Educational Excellence Program, in accordance with Act 196 of the 2021 Regular Legislative Session.

- B. Summarize the circumstances that require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The proposed revisions are in response to Act 196 of the 2021 Regular Legislative Session.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session.

1. Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

No

2. If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ Yes. If yes, attach documentation.

(b) _____ NO. If no, provide justification as to why this rule change should be published at this time.

WORKSHEET

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

| COSTS | FY21-22 | FY22-23 | FY23-24 |
|-----------------------------------|-----------|-----------|-----------|
| PERSONAL SERVICES | | | |
| OPERATING EXPENSES | SEE BELOW | SEE BELOW | SEE BELOW |
| PROFESSIONAL SERVICES | | | |
| OTHER CHARGES | | | |
| EQUIPMENT | | | |
| <u>MAJOR REPAIR & CONSTR.</u> | | | |
| <u>POSITIONS (#)</u> | | | |
| TOTAL | SEE BELOW | SEE BELOW | SEE BELOW |

2. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The Department of Education (LDE) may experience additional costs or workload associated with the required site visits to nonpublic schools participating in the Student Scholarships for Educational Excellence Program that receive a Scholarship Cohort Index (SCI) lower than 50. Potential costs would depend on the number of site visits required, the number of Department staff assigned and the time deemed necessary to conduct the visits, as well as travel costs which will vary by the location of the school. Such costs are indeterminable as no such site visits were conducted in the most recent school year. For illustrative purposes, in 2019, 38 of the 128 participating nonpublic schools in the program received SCI scores, of which 15 schools scored below 50 and would require site visits under the proposed revisions.

In addition, state costs may decrease for each student attending a nonpublic school on scholarship that is removed from eligibility due to the proposed revisions. The proposed revisions would require provisionally accredited approved schools to be removed from the program if they do not receive accreditation within four years of initial program approval, and for schools receiving a SCI below 50 for three consecutive years to be ineligible to participate in the program, beginning in the 2021-22 school year. The average annual scholarship is approximately \$6,200 and varies by school and grade level. Any nonpublic school that is removed from eligibility will result in a corresponding decrease in state expenditures, unless those students transfer to an alternate eligible institution. The number of students that may be impacted in this way is unknown and the net impact on state expenditures is indeterminable.

3. Sources of funding for implementing the proposed rule or rule change.

| SOURCE | FY21-22 | FY22-23 | FY23-24 |
|-----------------------|---------|---------|---------|
| STATE GENERAL FUND | UNKNOWN | UNKNOWN | UNKNOWN |
| AGENCY SELF-GENERATED | -0- | -0- | -0- |
| DEDICATED | | | |
| FEDERAL FUNDS | -0- | -0- | -0- |
| OTHER (Specify) | | | |
| TOTAL | UNKNOWN | UNKNOWN | UNKNOWN |

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Yes.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

The proposed revisions will not result in costs or savings to local governmental units.

2. Indicate the sources of funding of the local governmental unit that will be affected by these costs or savings.

The proposed revisions will not impact sources of funding of local governmental units.

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

The proposed revisions will not have an effect on revenue collections of state or local governmental units.

| REVENUE INCREASE/DECREASE | FY21-22 | FY22-23 | FY23-24 |
|---------------------------|------------|------------|------------|
| STATE GENERAL FUND | -0- | -0- | -0- |
| AGENCY SELF GENERATED | | | |
| RESTRICTED FUNDS* | | | |
| FEDERAL FUNDS | | | |
| LOCAL FUNDS | | | |
| TOTAL | -0- | -0- | -0- |

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

N/A

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS

- A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

Nonpublic schools may experience increased costs due to accreditation as a result of the proposed revision, however this will vary by accreditation organization and whether the school is currently accredited. For example, Cognia requires schools to pay an annual membership fee of \$1,200 in addition to a one-time engagement review fee which varies according to the length of the review and the size of the school, as well as covering all travel expenses for the review team.

- B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

Any nonpublic school that is removed from eligibility will result in a corresponding decrease in state funds for each student attending the school on scholarship. The average annual scholarship is approximately \$6,200 and varies by school and grade level. The proposed revisions would require provisionally accredited approved schools to be removed from the program if they do not receive accreditation within four years of initial program approval, and for schools receiving a SCI below 50 for three consecutive years to be ineligible to participate in the program, beginning in the 2021-22 school year.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

The proposed revisions will not have an effect on competition and employment.

COMPARISON DOCUMENT

Title 28
EDUCATION
Part CLIII. Bulletin 133—Scholarship Programs
Chapter 1. General Provisions
§101. Definitions

Department—the state Department of Education.

Eligible Nonpublic School—a non-public school that meets the following criteria:

- ~~1. is approved, provisionally approved, or probationally approved by the state Board of Elementary and Secondary Education pursuant to R.S. 17:11; and~~
- ~~2. is approved according to *Brumfield, et al. v. Dodd, et al.* 425 F. Supp. 528.~~

Provisionally Accredited Approved School—a school that is working toward meeting accreditation requirements and has met all other criteria for approval by the state Board of Elementary and Secondary Education.

1. eligible accrediting entities shall be:

- a. Southern Association of Colleges and Schools accreditation organizations;
- b. Cognia accreditation organizations;
- c. National Association of Independent Schools accreditation organizations;
- d. Louisiana Montessori Association; and
- e. Diocese or Archdiocese in which the provisionally accredited approved school is located.

2. a provisionally accredited approved schools shall be removed from the program if it does not receive accreditation within four years of initial program approval.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6 and R.S. 17:4025.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR: 38:3129 (December 2012), amended LR 40:2521 (December 2014).

Chapter 3. Registration

§303. Student Enrollment Process

A. – A.6. ...

7. conduct site visits each school year at schools that receive a scholarship cohort index below 50 in the most recent accountability cycle.

B. – D.1.d. ...

AUTHORITY NOTE: Promulgated in accordance with R.S.17:6 and R.S. 17:4025.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 38:3130 (December 2012).

Chapter 13. Criteria for School Participation in the Student Scholarships for Educational Excellence Program

§1305. Accountability System for Participating Nonpublic Schools

A. – D. ...

E. Nonpublic Schools that Receive Scholarship Cohort Indexes

1. There shall be ~~two~~ three fundamental rules of the accountability system for participating nonpublic schools that receive scholarship cohort indexes. Starting with the 2012-2013 school year:

a. – b. ...

c. beginning with the 2021-2022 school year, a participating school that for three consecutive years receives a scholarship cohort index below 50 shall be ineligible to participate in the program.

2. The following exceptions shall exist.

a. The state superintendent shall waive ~~both~~ each of the provisions in Paragraph 1 of this Subsection for a given school if likely new enrollees otherwise would predominantly be enrolled in schools performing at levels lower than or equivalent to the participating school.

b. The state superintendent may waive ~~either or both~~ any of the above provisions for a given school if the school has improved by more than 15 points on the scholarship cohort index over the last four school years, with the 2012-2013 school year being the first such year.

c. The state superintendent may waive ~~either or both~~ any of the above provisions for a given school if the school received a score higher than an equivalent school performance score correlating to a letter grade of an "F" according to the school performance score formula outlined in *Bulletin 111—the Louisiana School, District, and State Accountability System*.

3. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6 and R.S. 17:4025.
HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 39:83 (January 2013), amended LR 42:553 (April 2016).

NOTICE OF INTENT

**Board of Elementary and Secondary Education
Part CLIII. Bulletin 133—Scholarship Programs
(LAC 28: CLIII.101, 303, and 1305)**

In accordance with R.S. 49:950, et seq., the Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education approved for advertisement to revise *Bulletin 133—Scholarship Programs*. The proposed revisions revise the eligibility criteria schools must meet in order to participate in the Student Scholarships for Educational Excellence Program, in accordance with Act 196 of the 2021 Regular Legislative Session.

**Title 28
EDUCATION
Part CLIII. Bulletin 133—Scholarship Programs
Chapter 1. General Provisions
§101. Definitions**

Department—the state Department of Education.

* * * * *

Provisionally Accredited Approved School—a school that is working toward meeting accreditation requirements and has met all other criteria for approval by the state Board of Elementary and Secondary Education.

1. eligible accrediting entities shall be:
 - a. Southern Association of Colleges and Schools accreditation organizations;
 - b. Cognia accreditation organizations;
 - c. National Association of Independent Schools accreditation organizations;
 - d. Louisiana Montessori Association; and
 - e. Diocese or Archdiocese in which the provisionally accredited approved school is located.
2. a provisionally accredited approved schools shall be removed from the program if it does not receive accreditation within four years of initial program approval.

* * * * *

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6 and R.S. 17:4025.
HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR: 38:3129 (December 2012), amended LR 40:2521 (December 2014).

**Chapter 3. Registration
§303. Student Enrollment Process**

- A. – A.6. ...
7. conduct site visits each school year at schools that receive a scholarship cohort index below 50 in the most recent accountability cycle.
- B. – D.1.d. ...

AUTHORITY NOTE: Promulgated in accordance with R.S.17:6 and R.S. 17:4025.
HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 38:3130 (December 2012).

Chapter 13. Criteria for School Participation in the Student Scholarships for Educational Excellence Program

§1305. Accountability System for Participating Nonpublic Schools

- A. – D. ...
- E. Nonpublic Schools that Receive Scholarship Cohort Indexes
1. There shall be three fundamental rules of the accountability system for participating nonpublic schools that receive scholarship cohort indexes. Starting with the 2012-2013 school year:
 - a. – b. ...
 - c. beginning with the 2021-2022 school year, a participating school that for three consecutive years receives a scholarship cohort index below 50 shall be ineligible to participate in the program.
 2. The following exceptions shall exist.
 - a. The state superintendent shall waive each of the provisions in Paragraph 1 of this Subsection for a given school if likely new enrollees otherwise would predominantly be enrolled in schools performing at levels lower than or equivalent to the participating school.

b. The state superintendent may waive ~~either or both~~ any of the above provisions for a given school if the school has improved by more than 15 points on the scholarship cohort index over the last four school years, with the 2012-2013 school year being the first such year.

c. The state superintendent may waive ~~either or both~~ any of the above provisions for a given school if the school received a score higher than an equivalent school performance score correlating to a letter grade of an "F" according to the school performance score formula outlined in *Bulletin 111—the Louisiana School, District, and State Accountability System*.

3. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6 and R.S. 17:4025.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 39:83 (January 2013), amended LR 42:553 (April 2016).

STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION
FAMILY IMPACT STATEMENT
(LA R.S. 49:953 and 972)

Person Preparing Statement: Ryan Gremillion
Phone: 225-342-1501
Division: Policy Office
Rule Title: Part CLIII. Bulletin 133—Scholarship Programs

In accordance with Section 953 and 974 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a Family Impact Statement on the rule proposed for adoption, repeal or amendment. All Family Impact Statements shall be kept on file in the State Board Office which has adopted, amended, or repealed a rule in accordance with the applicable provisions of the law relating to public records.

PLEASE RESPOND TO THE FOLLOWING:

1. WILL THE PROPOSED RULE AFFECT THE STABILITY OF THE FAMILY?
 No
 Yes
 Lacks sufficient information to determine
2. WILL THE PROPOSED RULE AFFECT THE AUTHORITY AND RIGHTS OF PARENTS REGARDING THE EDUCATION AND SUPERVISION OF THEIR CHILDREN?
 No
 Yes
 Lacks sufficient information to determine.
3. WILL THE PROPOSED RULE AFFECT THE FUNCTIONING OF THE FAMILY?
 No
 Yes
 Lacks sufficient information to determine
4. WILL THE PROPOSED RULE AFFECT FAMILY EARNINGS AND FAMILY BUDGET?
 No
 Yes
 Lacks sufficient information to determine
5. WILL THE PROPOSED RULE AFFECT THE BEHAVIOR AND PERSONAL RESPONSIBILITY OF CHILDREN?
 No
 Yes
 Lacks sufficient information to determine
6. IS THE FAMILY OR A LOCAL GOVERNMENT ABLE TO PERFORM THE FUNCTION AS CONTAINED IN THE PROPOSED RULE?
 No
 Yes
 Lacks sufficient information to determine

Signature of Contact Person: 

Date Submitted: 10/7/2024

STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION
POVERTY IMPACT STATEMENT
(LA R.S. 49:973)

Person Preparing Statement: Ryan Gremillion

Phone: 225-342-1501

Division: Policy Office

Rule Title: Part CLIII. Bulletin 133—Scholarship Programs

In accordance with Section 973 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a Poverty Impact Statement on the rule proposed for adoption, amendment, or repeal. All Poverty Impact Statements shall be in writing and kept on file in the state agency which has adopted, amended, or repealed a rule in accordance with the applicable provisions of the law relating to public records. For the purposes of this Section, the word "poverty" means living at or below one hundred percent of the federal poverty line.

PLEASE RESPOND TO THE FOLLOWING:

1. WILL THE PROPOSED RULE AFFECT THE HOUSEHOLD INCOME, ASSETS, AND FINANCIAL SECURITY?

- No
- Yes
- Lacks sufficient information to determine

2. WILL THE PROPOSED RULE AFFECT EARLY CHILDHOOD DEVELOPMENT AND PRESCHOOL THROUGH POSTSECONDARY EDUCATION DEVELOPMENT?

- No
- Yes
- Lacks sufficient information to determine

3. WILL THE PROPOSED RULE AFFECT EMPLOYMENT AND WORKFORCE DEVELOPMENT?

- No
- Yes
- Lacks sufficient information to determine

4. WILL THE PROPOSED RULE AFFECT TAXES AND TAX CREDITS?

- No
- Yes
- Lacks sufficient information to determine

5. WILL THE PROPOSED RULE AFFECT CHILD AND DEPENDENT CARE, HOUSING, HEALTH CARE, NUTRITION, TRANSPORTATION, AND UTILITIES ASSISTANCE?

- No
- Yes
- Lacks sufficient information to determine

Signature of Contact Person: 

Date Submitted: 10/7/2021

Small Business Statement

The impact of the proposed Rule on small businesses as defined in the Regulatory Flexibility Act has been considered. It is estimated that the proposed action is not expected to have a significant adverse impact on small businesses. The agency, consistent with health, safety, environmental and economic welfare factors has considered and, where possible, utilized regulatory methods in the drafting of the proposed rule that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed rule on small businesses.

Provider Impact Statement

The proposed Rule should not have any known or foreseeable impact on providers as defined by HCR 170 of 2014 Regular Legislative Session. In particular, there should be no known or foreseeable effect on:

1. the effect on the staffing level requirements or qualifications required to provide the same level of service;
2. the total direct and indirect effect on the cost to the providers to provide the same level of service; or
3. the overall effect on the ability of the provider to provide the same level of service.

Public Comments

Interested persons may submit written comments via the U.S. Mail until noon, November 10, 2021, to Shan N. Davis, Executive Director, Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064. Written comments may also be hand delivered to Shan Davis, Executive Director, Board of Elementary and Secondary Education, Suite 5-190, 1201 North Third Street, Baton Rouge, LA 70802 and must be date stamped by the BESE office on the date received. Public comments must be dated and include the original signature of the person submitting the comments.

Shan N. Davis
Executive Director