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FISCAL IMPACT STATEMENT

LS 6940

BILL NUMBER: HB 1322

NOTE PREPARED: Mar 4, 2003

BILL AMENDED: Feb 26, 2003

SUBJECT: Charter Schools.

FIRST AUTHOR: Rep. Porter

FIRST SPONSOR: Sen. Lubbers

BILL STATUS: As Passed - House

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State &Local

Summary of Legislation: (Amended) This bill provides that the annual appropriation of state and local funds for the operation of nonconversion charter schools may not exceed six million dollars during each state fiscal year beginning July 1, 2003, and ending June 30, 2004.

Effective Date: July 1, 2003.

Explanation of State Expenditures: The bill limits the amount of state and local funding for nonconversion charter schools to the lesser of \$6 M or the actual amount transferred from state and local funding for nonconversion charter schools for FY 2004. The bill could possibly limit state and local revenue to these charter schools in FY 2004 and FY 2005. Currently there are 11 charter schools, two of which are conversion schools. The regular school formula revenue (state & local funding) for nonconversion charter schools, excluding special education, prime time, honors, at-risk, and vocational education funding for CY 2003 is approximately \$5.1 M. Depending on the number of new charters and growth in enrollments in existing charters, the bill might not effect the distribution of state and local funding to charters. Approximately 926.5 students are in nonconversion charter schools.

The bill does not specify what the Department of Education or the local school corporation are to do if a new school funding formula distribution exceeds the limit set in the bill. The distribution could be proportionally reduced to all charters if more charter schools are approved or new charter schools might not be funded.

Explanation of State Revenues:

Explanation of Local Expenditures: *See Explanation of State Expenditures.*

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Charter Schools.

Information Sources:

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