

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7074

BILL NUMBER: SB 446

NOTE PREPARED: Feb 1, 2011

BILL AMENDED: Jan 31, 2011

SUBJECT: Use of Public School Property by Charter Schools.

FIRST AUTHOR: Sen. Schneider

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) This bill establishes a process by which charter schools may lease unused, closed, or unoccupied school buildings that are maintained by school corporations and are not being used for classroom instruction.

Effective Date: July 1, 2011.

Explanation of State Expenditures: (Revised) The Department of Education, "DOE", would have to create a list of unused educational facilities owned by each school corporation and make the list available on the Department's website. School would be required to provide DOE with a list of unused school educational buildings by a date set by DOE. The list would be updated annually. Placing the list on the website would not increase costs. DOE would incur some minor costs creating and maintaining the list.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) The bill could reduce the maintenance expenditures on closed or unused school educational buildings if buildings are used and maintained by charter schools. DOE would maintain a list of unused school educational buildings. A charter school would notify DOE of the charter school's intent to lease the building. The school corporation would then be required to lease the used school for \$1 a year for at least 10 year. The lease could be renewed for another 10 years buy the charter school. A school building on the DOE list for 24 months could be sold or disposed of by the school corporation.

It is unknown how many school buildings are being maintained by school corporations that are not used for

educational purposes. The savings are probably minor.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools, charter schools.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.