

Department of Planning and Budget

2002 Fiscal Impact Statement

1. Bill Number HB734

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Sears

3. Committee Education

4. Title Charters schools.

5. Summary/Purpose: This bill modifies the charters schools statutes by (i) authorizing judicial review of local school board decisions regarding the announced intent to accept or not to accept charters school applications, the grant, revocation, failure to renew, or denial of a charter; (ii) eliminating the management committee, composed of parents of students enrolled in the school, teachers and administrators working in the school, and representatives of any community sponsors, and placing the management of a charter school in a "governing body"; (iii) making charter school personnel employees of the governing body for all purposes, with the exception of employee benefits, which remain within the purview of the local school board; (iv) altering the employment provision to permit.

6. Fiscal Impact: (See 8.)

7. Budget amendment necessary: No.

8. Fiscal implications: One of the provisions in this bill provides that the amount of state and local funding provided to a public charter school shall be at least 100 percent of the respective per pupil state and local shares required to fund the Standards of Quality (SOQ). The local school board may also retain up to 5 percent of such per pupil funds for administrative costs, as negotiated in the charter agreement.

Under Title 22.1 - 212.4 of the Code, the Department of Education must include students enrolled in public charter schools in averaged daily membership (ADM) of the relevant school division. The ADM drives the per-pupil amounts used to fund the SOQ. This bill does not impact the amount of state funds needed to support the SOQ, but it does require local school divisions to provide state and local funds to public charter schools according to the 100 percent standard used to fund the SOQ. Local school boards would no longer be able to negotiate funding agreements with public charter schools.

This bill also requires the Board of Education to develop guidelines for the administration of state-chartered regional public charter schools for at-risk pupils. The guideline development would require staff time, and the costs are expected to be minimal.

Finally, this bill may have a minor fiscal impact on the courts for judicial review, but it is difficult to quantify the cost at this time.

9. Specific agency or political subdivisions affected: Board of Education, Department of Education, school divisions

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 01/31/02/acd

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cc: Secretary of Education
Secretary of Finance