

## Department of Planning and Budget 2004 Fiscal Impact Statement

**1. Bill Number** HB380

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Engrossed
<b>Second House</b>	<input checked="" type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron** Lingamfelter

**3. Committee** Senate: Education and Health

**4. Title** Charter School Excellence and Accountability Act.

**5. Summary/Purpose:** This bill amends the charter schools statute to (i) require public charter schools to maintain high standards for teachers and administrators; (ii) allow charter schools to contract with private institutions of higher education for school facilities, services, and other undertakings, including construction; (iii) add evidence of the support of school division residents for a charter school to those items that may be included in proposed charter agreement materials; (iv) allow charter applicants to submit the proposed charter agreement to the Board of Education for review and comment, and to require inclusion of the Board's findings in the charter application to the local school board; (v) delete the authority of school boards to limit the number of charter schools within the division and the statutory cap on the maximum number of charter schools (two schools or not more than 10 percent of the total number of schools in the division, whichever is greater); (vi) delete the requirement that half the charter schools in the division be designed to benefit at-risk pupils, and instead direct school boards to give priority to applications designed to benefit these students, particularly those at-risk students currently served by schools that have not achieved full accreditation; (vii) direct the Board to report annually to the General Assembly the number of public charter school applications granted and denied, and the reasons for any such denials; (viii) increase the maximum charter term from three to five years; (xi) amend the State and Local Government Conflicts of Interests Act to allow the governing body, administrators, and other personnel within a public charter school to have an ownership or financial interest in renovating, lending, granting, or leasing public charter school facilities, provided such interest has been disclosed in the public charter school application.

**6. Fiscal Impact:** See Item 8.

**7. Budget amendment necessary:** No.

**8. Fiscal implications:** The amendments to the bill would now require the Board of Education to review any public school charter application submitted to it. This new provision would involve staff time and resources at the state level. The cost impact would depend upon the number of proposed charter schools to be reviewed by the Board.

**9. Specific agency or political subdivisions affected:** The Board of Education, the Department of Education, local school divisions, charter schools

**10. Technical amendment necessary:** No.

**11. Other comments:** None.

**Date:** 02/17/04 / acd

**Document:** H\ bos\k12 legislation\2004 session\completed bills\HB380H1.doc.

cc: Secretary of Education  
Secretary of Finance