

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number HB2311

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

2. Patron Lingamfelter

3. Committee Education

4. Title University Charter Schools.

5. Summary/Purpose: Establishes university charter schools for the purpose of stimulating the development of innovative public education programs by providing opportunities for greater cooperation and coordination between institutions of higher education and K-12 education systems. The university charter schools are created by a contract between the school and the Board of Education and operate much like public charter schools.

6. Fiscal Impact Estimates are: See Item 8.

7. Budget amendment necessary: Indeterminate.

8. Fiscal implications: This legislation would create a special non-reverting fund in the state treasury that would contain funds appropriated by the General Assembly, gifts, grants, bequests, or donations from private and public sources. Such funds would be used only for the establishment or support of the university charter schools. In addition, the bill would authorize the schools' management committee to receive gifts, donations, or grants, on its behalf as long as the conditions for the funding were not contrary to law or the terms of agreement between the university charter school and the Board of Education.

It is assumed that state funding received through September 30 fall membership and March 31 average daily membership would be transferred from a school division to a university charter school. In addition, the bill states that a proportionate share of state and federal resources allocated for special education and for state categorical aid programs would be directed to such schools, and these schools would be eligible to apply for state and federal grants. The bill is silent concerning the disposition of the local share of funding that school divisions provide to enrolled students. Section 22.1-212.14 of the *Code of Virginia* states that students "enrolled in a public charter school shall be included in the average daily membership of the relevant school division and shall be reported in fall membership for the purposes of calculating the state and local shares required to fund the Standards of Quality." This bill does not modify this section of the *Code of Virginia*. Given these funding parameters, it is anticipated that this legislation will not result in any additional costs to the state.

9. Specific agency or political subdivisions affected: Board of Education, local school divisions, and public institutions of higher education in Virginia.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 1/22/07 / SHD

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