

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 502** HLS 16RS 602

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|---------------------------------|----------|-------------------------------|
| Date: April 12, 2016 | 11:15 AM | Author: SMITH, P. |
| Dept./Agy.: Education | | Analyst: Jodi Mauroner |
| Subject: Charter Schools | | |

SCHOOLS/CHARTER OR NO IMPACT See Note Page 1 of 1
Requires the State Bd. of Elementary and Secondary Education to conduct a fiscal impact study prior to making a determination relative to a Type 2 charter school proposal

Current law requires the BESE to notify the local school board of the district in which a proposed charter school is to be located of the proposal and allow for information to be submitted by local school districts and other interested groups. Proposed law provides that a prior to any determination BESE shall prepare and publish on its website a fiscal impact study that analyzes the fiscal impact such proposed charter school would have on the local school district. Further provides for BESE to allow local boards, interested groups and individuals to present information regarding the proposal and the fiscal impact study and to provide testimony at a scheduled public meeting of BESE.

| EXPENDITURES | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

| REVENUES | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

There is no anticipated impact on expenditures of the Department of Education (DOE) as a result of this measure. Pursuant to charter law (17:3981). BESE Bulletin 126 Section 515 requires information for some 50 components on charter school applications in the areas of educational programming, governance, leadership and management, financial planning and facilities. The DOE uses an external independent evaluator to provide recommendations on the viability of all charter applications.

Additionally, the DOE utilizes this information to determine the financial impact of a new charter on the MFP allocation at the district level. However these analyses conducted by the department are only done upon request and not for every application submitted. Proposed legislation would require such an analysis on every Type 2 charter application. Staffing resources will vary depending upon the number of applications received. The DOE indicates it has received 54 applications on appeal from local district decisions since 2012; 4 in 2012, 9 in 2013, 22 in 2014 and 19 in 2015.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} | |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | |

Evan Brasseaux
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