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FISCAL IMPACT REPORT



SPONSOR: Sharer DATE TYPED: 02/12/02 HB _____

SHORT TITLE: Start-up Charter Schools SB 67

ANALYST: Segura

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	\$0.1 (See Narrative) Significant			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

State Department of Education (SDE)

SUMMARY

Synopsis of Bill

Senate Bill 67 amends Section 22-8-25 of the Public School Code by changing the program unit calculation under the State Equalization Guarantee (SEG) for certain school districts. The bill proposes new language regarding the calculation of program units for new formula-based programs and start-up charter schools.

The State Board of Education requested \$15,259.8 to fund new programs and start-up charter schools in FY03. The Legislative Finance Committee and Executive budget recommendations for FY 03 did not include the funding.

Significant Issues

According to SDE, when the law regarding prior year funding was enacted, there was no language to address funding of new formula-based programs and start-up charter schools. Senate Bill 67 would provide the statutory change to allow new programs and start-up charter schools to be funded based on the membership of the 40th day of the current year for the first year of operation.

FISCAL IMPLICATIONS

The SDE indicates that based on a projected membership for 2002-2003, the estimated additional cost to fund new programs and start-up charter schools for FY03 is \$15,259.8. If actual membership is lower, the costs will be lower. However, if additional funds are not included in the SEG, the unit value will need to be adjusted to absorb costs in FY03.

ADMINISTRATIVE IMPLICATIONS

The enactment of the bill would allow funding of all public school districts to be calculated by the department's Accountability Data System(ADS), alleviating the administrative burden of calculating the funding for some school districts outside of ADS.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

Relates to House Bill 23

RS/ar