NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used for other purposes.

The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR:	Za	netti	DATE TYPED:	2/27/03	HB	908
SHORT TITLE: Shorten Charter Scho		ool Approval Time		SB		
ANALYST:				YST:	L. Baca	

APPROPRIATION

Appropriation	on Contained	Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

Relates to: SB 696, Charter School Severance Bonds

SB 224, Fifteen Year Charter School Renewal

Conflicts with HB 375, Amend Charter School Act

SOURCES OF INFORMATION

<u>Responses Received From</u>
State Department of Education (SDE)

SUMMARY

Synopsis of Bill

House Bill 908 amends the Charter Schools Act to provide a shorter time frame for the approval or denial of charter school applications and appeals; provides specific time frame and criteria for revoking or failing to renew a charter school; authorizes a larger number of charter schools; and stipulates that charter schools are to receive that portion of the Capital Improvements Act (SB 9) generated by the program units attributable to students attending a charter school.

Significant Issues

HB 908 addresses the following issues:

- changes the date for a charter school application from to March 1 from October 1;
- changes the timeline for a local school board to approve a charter application from 60 days to 30 days;

House Bill 908 -- Page 2

- changes the timeline for the State Board of Education(SBE) to a decision on an appeal from 60 days to 30 days;
- changes the timeline for a local school board to approve a charter school application from 30 days to 10 days;
- changes the timeline for the SBE to review local school board decision from 60 days to 30 day:
- changes the ability of the SBE to extend any timelines regarding approval or denial of a charter school application;
- changes the number of charter schools that can be authorized to 20 start-up and 10 conversion schools up to 100 start-up and 50 conversion schools in any one five-year period;
- changes the renewal time of a charter school from January 1 to July 1 of the year prior to the year in which the charter school expires; and
- stipulates that the portion of the state distribution from the Public School Capital Improvements Act that is generated by units attributable to a student attending a charter school shall be allotted to that charter school.

FISCAL IMPLICATIONS

Charter schools will be able to receive a portion of funds generated from the Capital Improvements Act. Revenues received pursuant to the provisions of the Capital Improvements Act may be expended for maintenance of facilities.

OTHER SUBSTANTIVE ISSUES

The shortened timelines will in all likelihood require that a local school board and the SBE hold special meetings to carry out the provisions of the amendments. SDE and local school board staffs will also be affected by the shortened timeframes for decisions to be rendered.

The SDE observes that the amendments proposed in this bill have not been reviewed by charter school work group appointed by the Legislative Education Study Committee.

- 1. Did any charter school or group of charter schools assist in preparing this bill?
- 2. Have any "organized group" of charter schools or charter school representatives expressed support or opposition to the changes proposed in this bill?
- 3. Do the shortened timelines allow school district and SDE staffs to adequately prepare their respective boards to review the evidence and make an informed decision?
- 4. The bill increases the number of charter schools allowed. Has there been a great deal of interest in starting new charter schools?
- 5. Have representative from the SBE/SDE and \or local school boards expressed an opinion on this bill?

LRB/yr:njw