



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 51** HLS 25RS 409
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 7, 2025	11:20 AM	Author: YOUNG
Dept./Agy.: Education/ BESE		
Subject: Ownership of assets of certain charter schools		Analyst: Julie Silva

SCHOOLS/CHARTER OR SEE FISC NOTE LF EX Page 1 of 1
 Provides relative to the assets of certain charter schools

Proposed legislation provides that all assets acquired by a Type 1, 3, or 3B charter school that are purchased with public funds prior to converting to a Type 2 charter school under present law (R.S. 17:3983(B)(2)) remain the property of that school for the duration of the charter agreement with the State Board of Elementary and Secondary Education (BESE).

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed legislation may result in an impact to local fund expenditures. For informational purposes, Type 1, 3, and 3B charters are those under the authority of a local school board. Converted Type 2 charter schools are classified as former Type 1, 3, or 3B schools whose charter agreement is transferred to the Board of Elementary and Secondary Education (BESE). Under existing law, all assets revert back to the chartering authority upon termination of a charter agreement. Proposed legislation clarifies that when an existing charter school is transferred from the authority of a local school board to BESE, any assets purchased with public funds transfer along with it.


Local school boards that are replaced by BESE as the chartering authority of a conversion school may realize an increase in expenditures to replace any assets no longer available to them. Alternatively, they may also realize savings related to a decrease in operational costs for facilities no longer under their authority. Any impacts are expected to be situational and dependent on a variety of factors, including: (1) whether the local school board needs to acquire replacements for any assets transferred; (2) the number of schools converted within a specific school board's jurisdiction; and (3) the quantity and type of assets involved, which could range from school building facilities to instructional materials. Due to this, the LFO is unable to determine any specific impacts to local fund expenditures that may result due to proposed legislation.

REVENUE EXPLANATION

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

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


Patrice Thomas
Deputy Fiscal Officer