

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 95** SLS 18RS 398

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 19, 2018 4:16 PM	Author: BOUDREAUX
Dept./Agy.: Education	Analyst: Jodi Mauroner
Subject: Charter Schools	

SCHOOLS OR DECREASE GF EX See Note
Provides relative to virtual charter schools. (gov sig)

Present law provides for charter school definitions, charting authority, requirements for the chartering process and the operation of charter schools. Provides that the per pupil amount allocated to charter schools shall be equal to the amount provided through the Minimum Foundation Program (MFP) shall be computed based on the school district in which the student resides. **Proposed law** defines virtual charter school as a Type 2 charter through which instruction is conducted primarily through the internet and at which physical daily attendance of students is not required. Provides that membership count shall only include students who are enrolled each semester in at least three courses. Provides membership count shall not include a student who was included in the prior year but who failed to earn at least six Carnegie unit credits by the end of the academic year. Provides that the per pupil amount shall be equal to 70% of the per pupil amount currently authorized.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
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>	<u>\$0</u>
Annual Total						
REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	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	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Annual Total						

EXPENDITURE EXPLANATION

There will be a decrease in MFP expenditures as a result of the proposed limitations on student count and per pupil allocations. There are two Type 2 virtual charter schools funded in the FY 18 MFP which enroll approximately 4,000 students. The LDE currently allocates 90% of the per pupil amount to these virtual charter schools. This amount would be reduced by an additional 20% under the proposed legislation.

NOTE: The LDE did not respond to the request for information so the LFO is unable to identify the potential number of students who would be excluded from current counts as a result of the required course enrollment and credit hour earnings.

REVENUE EXPLANATION

There would be a decrease in the MFP allocations to Type 2 virtual charter schools as a result of the proposed limitations on student count and per pupil allocations. Based on the current projected MFP allocations, a 20% reduction would equate to approximately \$3,785,566. This amount would increase to the extent existing students do not meet the required credit hours and would be deemed ineligible for funding.

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}

Evan Brasseaux

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