

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 1003** HLS 26RS 1443

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 27, 2026 1:37 PM	Author: FREEMAN
Dept./Agy.: Education	Analyst: Julie Silva
Subject: School overcapacity policy	

SCHOOLS

OR SEE FISC NOTE LF EX

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Provides relative to overcapacity of schools within certain school districts

Proposed legislation requires local school boards to adopt policies establishing standards and metrics to identify systemwide school overcapacity. This includes separate criteria for K-8 and high school grades based on enrollment projections, demographics, capacity, and facility utilization. Mandates annual superintendent reporting on overcapacity and requires recommendations for corrective action when identified, including authorizing early termination of charter contracts. Exempts the Orleans Parish School Board from existing requirements to lease or sell vacant property to charter operators when vacancies result from efforts to reduce overcapacity.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	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	2026-27	2027-28	2028-29	2029-30	2030-31	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 is expected to have an indeterminable impact on local fund expenditures. Local school systems may experience increased costs to develop policies and prepare annual reports addressing school overcapacity. If these policies lead to school consolidations or early termination of charter contracts, districts may realize savings from reduced operational and facility expenses. The extent of any costs or savings is indeterminable and would vary by district based on student enrollment trends, facility utilization and condition, local decisions regarding school consolidations or limiting new school openings, and the timing of implementation. Retaining or repurposing facilities may also require ongoing maintenance or capital investment.

The legislation also exempts the Orleans Parish School Board from existing requirements to lease or sell vacant property to charter operators when vacancies result from efforts to reduce overcapacity, provided the superintendent's recommendation to otherwise utilize the property is approved by a majority vote of the board. Any impact on local expenditures is expected to be minimal and would depend on the number and value of affected properties, as well as local decisions regarding their use or maintenance.

REVENUE EXPLANATION

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

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer