

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 267** SLS 15RS 271

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 22, 2015	11:13 AM	<b>Author:</b> CLAITOR
<b>Dept./Agy.:</b> Education		<b>Analyst:</b> Jodi Mauroner
<b>Subject:</b> Charter School funding		

STUDENTS EG NO IMPACT LF EX See Note  
Provides relative to charter school funding. (gov sig)

Current law provides for charter school enrollment of at-risk students who are eligible to participate in the federal free and reduced lunch program at levels no less than 85% of the percentage of pupils enrolled in the local public school districts from which the charter enrolls its students. Proposed legislation includes students with exceptionalities (not including gifted and talented) in the required enrollment percentages. Additionally, current law provides for the distribution of MFP funds to charter schools. The proposed legislation specifies that the state funded per pupil allocation will be based on the weighted student membership count received by the district pursuant to the most recent MFP formula including all levels and allocation weights based on special characteristics or needs as provided in the formula. Further, the legislation repeals current law providing for the delayed implementation of a weighted allocation method in Orleans Parish which does not take effect until FY18/19. Effective upon governor's signature.

<b>EXPENDITURES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
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Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated impact to the Minimum Foundation Program funding formula as a result of this legislation. There may be an impact in the distribution of funds to some charter schools which currently do not receive a weighted funding allocation as provided in the MFP. Further, funding may be reallocated across schools due to changes in enrollment of special education students. Enrollment shall be equal to not less than 85% who are at-risk based on participation in the free and reduced lunch program **or** who have been identified as a student with an exceptionality. However, MFP funding allocations are currently the subject of litigation and any potential impact will be determined by the court's decision.

Conversion schools which have transferred back to the originating school district are labeled Type 3B charters. The law allows for these charters to opt to retain their status as a Local Educational Authority and would receive funding using the MFP weighted allocation. However the law provides that the Orleans Parish School Board has until FY18/19 before it is required to use this allocation methodology. This exception has been repealed in the proposed bill.

**REVENUE EXPLANATION**

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

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|-----------------------------------------------------------------------------|----------------------------|--------------|--------------------------------------------------------------------------------------------|
| <u>Senate</u>                                                               | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       |                            |              | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}                 |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} |                            |              | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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