

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1899 - HB 2430

February 12, 2018

SUMMARY OF BILL: Clarifies that the State Board of Education (SBE) is the local education agency (LEA) for the charter schools it authorizes.

Removes section of statute that requires the Department of Education (DOE) to allocate and disburse all state per student funds and federal funds.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Possible decreases in state expenditures from the removal of a provision that requires the Department of Education to disburse funds to the charter schools under the authorization of the State Board of Education; any such decrease cannot be reasonably determined. Otherwise, the fiscal impact is estimated to be not significant.

Assumptions:

- The legislation removes the current provision in statute that requires the DOE to "allocate and disburse one hundred percent of funds" to charter schools authorized by the SBE and only provides that charter schools authorized by the SBE receive "all appropriate federal funds".
- The DOE reports that the FY17-18 state and local shares of funds to the SBE charter schools were \$1,356,789.
- To the extent the DOE could withhold funds from charter schools and never actually disburse the funds, there may be a decrease in state government expenditures of an unknown amount. However, this is highly unlikely and such funds would most likely be distributed as they are under current law.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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