

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6640

BILL NUMBER: HB 1403

NOTE PREPARED: Dec 23, 2020

BILL AMENDED:

SUBJECT: School Corporation Referenda.

FIRST AUTHOR: Rep. Pack

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill repeals provisions that provide: (1) that a school corporation may distribute money that is received as part of a referendum tax levy to a charter school that is located in the attendance area of the school corporation; and (2) that the resolution adopted by a school corporation to place a referendum on the ballot must indicate whether proceeds collected from the tax levy will be used to provide a distribution to a charter school, as well as the amount that will be distributed.

Effective Date: July 1, 2021.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The fiscal impact would depend on local action. This bill removes the option for the governing body of a public school corporation to distribute to a charter school any money received from either a tax levy collected under IC 20-46-1 or a school safety referendum tax levy. Any school corporation currently distributing funds to a charter school in this manner would retain the full amount of the funds, thus decreasing expenditures for that distribution.

Explanation of Local Revenues: The fiscal impact would depend on local action. Any charter school currently receiving funds in this manner would see a decrease in revenue.

State Agencies Affected:

Local Agencies Affected: School corporations; Charter schools.

Information Sources:

Fiscal Analyst: Jason Barrett, 317-232-9809.