

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 836 - HB 1083

February 18, 2019

SUMMARY OF ORIGINAL BILL: Prohibits a chartering authority from revoking or denying the renewal of a public charter school agreement, if the public charter school has not been in operation for more than four years and is identified as a priority school. Prohibits a chartering authority from closing a qualifying priority school at the end of the 2018-19 school year.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – Passage of the proposed legislation will continue funding for two charter schools allowing them to remain open, thus preventing a shift of Basic Education Program (BEP) funding that would otherwise occur from the two closing charter schools to the respective local education agencies. The precise amount of BEP funding is unknown.

SUMMARY OF AMENDMENT (004245): Deletes and replaces all language after the enacting clause. Changes, from required to optional, the chartering authority's decision whether to revoke a public charter school agreement if a school receives identification as a priority school. Requires a public charter school identified as a priority school, that doesn't have its public charter school agreement revoked, to develop and implement a comprehensive support and improvement plan. Removes the prohibition for a chartering authority to revoke or deny the renewal of a public charter school agreement, if the public charter school has not been in operation for more than four years and is identified as a priority school.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Other Fiscal Impact – Passage of the proposed legislation will continue funding for up to nine charter schools, by allowing them to remain open, thus preventing a shift of Basic Education Program (BEP) funding that would otherwise occur from the closing charter schools to the respective local education agencies. The precise amount of BEP funding is unknown.

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Assumptions for the bill as amended:

- There are currently nine public charter schools identified as a priority school.
- The proposed legislation would allow, but not require, chartering authorities to close each of the nine public charter schools identified as a priority school the end of the school year.
- Depending on the number of charter school closures, a shift in BEP funding from the closed charter schools to their respective local education agencies may occur. The precise amount of BEP funding is unknown.
- Total state and local BEP funding received by public charter schools will remain unchanged.
- No change in the BEP funding formula.
- No significant impact to state or local operations.

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

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