

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6910
BILL NUMBER: SB 226

NOTE PREPARED: Jan 1, 2009
BILL AMENDED:

SUBJECT: Charter School Services for Children.

FIRST AUTHOR: Sen. Lubbers
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a charter school may provide services and receive funding for providing services to a child in the same manner as other public schools.

Effective Date: July 1, 2009.

Explanation of State Expenditures: The bill would allow charter schools to participate in some state programs they can not currently offer. According to the Department of Education, the state programs charter schools have not been able to participate in had some required local property tax requirement, the primary program being the special education preschool program. Charter schools can currently participate in the lunch, textbook reimbursement, limited English, and alternative education programs.

Special Education Preschool Grant: The current special education preschool formula is (a) \$2,750 times the number of special education preschool students. The impact would depend on if additional special educational children enrolled in preschool programs. If the children enrolled in the charter special education preschool programs would have enrolled in public school programs then there is no impact. If the additional charter schools increase special education preschool children enrollment, then the impact would be about \$2,750 per additional student.

For FY 2009, the appropriation for preschool special education was \$35.4 M. Any additional preschool special education students would be funded within the current appropriation level. If the addition of these children caused the distribution formula to exceed the appropriation, then the \$2,750 grant would be reduced so that the actual distribution equals the appropriation.

Background: For the 2008-09 school year Indiana has 48 charter schools with enrollment of about 15,000 students.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Charter schools would be able to access funding for programs like traditional school corporations. The bill would potentially increase revenue for charter schools. The impact on public schools would depend on if the addition of charter schools caused the program to exceed the appropriation. The impact on traditional schools would probably be minor.

Special Education Preschool: If the state special education preschool distribution exceeds the appropriation, then the \$2,750 grant per student could be reduced to not overspend the appropriation. Any impact on individual schools would depend on the total number of students eligible for the grants.

State Agencies Affected:

Local Agencies Affected:

Information Sources: Jeff Zaring, Department of Education 232-6622.

Fiscal Analyst: Chuck Mayfield, 317-232-4825.