

FISCAL NOTE

SB 1447 – HB 1436

March 23, 2007

SUMMARY OF BILL: Authorizes local boards of education to retain, as an administrative fee, 5% of the state and local education funds which otherwise would be allocated to the charter school.

ESTIMATED FISCAL IMPACT:

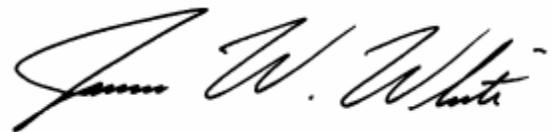
Decrease Local Govt. Expenditures – Exceeds \$761,000

Assumptions:

- LEAs would be allowed to retain 5% of the state and local funds allocated per pupil, which in effect reduces charter schools funding, but it would not redirect federal funds. Currently, charter schools receive 100% of the state and local education funds of the per pupil expenditure of the LEA.
- Each LEA will retain the maximum allowed (5%).
- Using a per pupil expenditure of \$8,708 in the Memphis City Schools and \$9,239 in the Metropolitan Nashville Public Schools, the total per pupil expenditure funded per ADM that could potentially be retained by the LEA at 5% is \$760,944.
- This estimate is based on the students currently attending the 12 charter schools operating in Tennessee. The number of charter school students will continue to grow as more charter schools open.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director