

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2015 - SB 2299**

February 13, 2016

**SUMMARY OF BILL:** Requires state and local Basic Education Program (BEP) funding for public charter schools to transfer back to the regular local education agency (LEA) when public charter school students transfer back to a regular LEA school.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

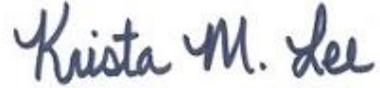
Assumptions:

- Based on information from the Department of Education, this bill will codify current practice.
- Pursuant to the provisions of Tenn. Code Ann. § 49-13-112, relative to public charter school funding, state and local BEP funding transfers from the regular LEA to a public charter school when students enroll in a charter school. If a public charter school student transfers back to the regular LEA, the LEA will receive funding relative to that student.
- The BEP formula currently reconciles BEP payments made to an LEA when a student transfers from a public charter school back to a regular public school during an academic year. This reconciliation takes place twice during the academic year and then once at the end of the year.
- Charter school students who transfer back to a regular LEA school during an academic year will be counted as enrolled in their regular LEA at the end of the academic year.
- BEP funding is based on prior year enrollment; therefore, the LEA to which a charter school student transfers will continue to receive state and local BEP funding if a transferring student remains in their regular public school in the next academic year.
- No change in the BEP formula.
- Any fiscal impact on state and local government is estimated to be not significant.

**HB 2015 - SB 2299**

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/msg