

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 20

January 10, 2019

SUMMARY OF BILL: Extends, from June 30, 2019 to June 30, 2023, the repeal date of the Virtual Public Schools Act.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Upon expiration of the Virtual Public Schools Act, there will be various shifts in state and local Basic Education Program (BEP) funding between and within certain local education agencies (LEAs) and possible decreases in state and local government expenditures due to closure of virtual schools. In addition, Union County’s required BEP maintenance of effort would decline. Under the provisions of the legislation, these impacts will be delayed by four years until June 30, 2023.

Assumptions:

- No change in state and local BEP funding. All BEP funding will continue to be received by the same entities that receive such funding under current law.
- Upon expiration of the Virtual Public Schools Act (VPSA), there may be a decrease in state and local government expenditures if any of such expenditures of the virtual schools are not replicated when students return to traditional schools or if some of the students at the virtual schools revert to home school.
- Upon expiration of the VPSA, Union County will be the only LEA that would have a substantial decrease in enrollment as a result of the Tennessee Virtual Academy closing. Extending authorization for the Virtual Academy by an additional four years will result in Union County continuing to provide their required maintenance of effort for four additional years for any students attending the Virtual Academy.
- If the VPSA were to expire in 2019 pursuant to current law, the precise shift in BEP funding or any possible decrease in state or local government expenditures cannot be reasonably determined due to multiple unknown factors.
- This legislation will delay the expiration of the VPSA and these fiscal impacts until June 30, 2023.

CERTIFICATION:

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

Handwritten signature of Krista Lee Carsner in black ink.

Krista Lee Carsner, Executive Director

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