

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2180 - HB 2869

February 20, 2020

SUMMARY OF BILL: Changes, from optional to required, for a local board of education to: admit students from outside the board's local education agency (LEA) if the receiving LEA has the available space at the building, grade, class, and program level; arrange the transfer of students residing in the LEA to schools outside of the LEA; and enter into agreements with other local boards of education for the transfer and admission of students. Authorizes a student to transfer to an LEA outside of the student's place of residence without the discretion of the receiving LEA's board of education.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Tenn. Code Ann. § 49-6-3104 local boards of education currently have the authority and discretion to admit students from outside the board's LEA.
- While the proposed legislation will provide more autonomy to students wishing to transfer to an LEA outside of the student's place of residence, any transfer will be subject to space limitations.
- Student enrollment is measured by average daily membership (ADM) and is the primary driver of funds generated by the BEP for the following fiscal year, the funding formula through which state education dollars are generated and distributed to Tennessee schools.
- To the extent that an increase in student transfers affects the ADM, BEP funding for involved LEAs may be impacted; due to multiple unknown factors, such as the number, location, and timing of any student transfers, a precise impact to local government cannot be determined with reasonable certainty but is estimated to be not significant.
- Total BEP funding will not be impacted as a result of the proposed legislation; therefore, no significant impact to state expenditures.

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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