



FISCAL NOTE

House Bill 363

Committee: Education Policy

Sponsor: Representative Terri Collins

Analyst: John Friedenreich

Date: 05/24/2023

House Bill 363 as passed by the House of Representatives would provide that start-up public charter schools: (1) be funded during start-up and planned structured growth years based on anticipated enrollment, as provided in the approved charter application, with the resulting Foundation Program allocation being adjusted to reconcile the variance between anticipated and actual funded enrollment; and (2) participate in other Education Trust Fund (ETF) and Public School Fund (PSF) appropriations in the same manner as a non-charter public school system.

This bill would also provide that conversion public charter schools: (1) be funded at the same level as the school was funded prior to conversion to a public charter school; (2) receive from the local board a pro-rata share of other Education Trust Fund (ETF) appropriations; and (3) be appropriated from the local school board all federal, state, and local funds allocated to support the conversion public charter school.

This bill could increase the administrative obligations of the Alabama State Department of Education (SDE) by requiring SDE to: (1) forward all funds to public charter schools on the same schedule as a non-charter public school, rather than quarterly as provided by current law; and (2) annually calculate per-student allocations and ensure distribution of those funds directly to public charter schools. This bill would also require the State Superintendent of Education to intervene to allocate local funds to conversion charter schools under certain conditions.

In addition, this bill could increase the obligations of the Alabama Public Charter School Commission by an undetermined amount dependent upon the number of new non-merit employees, if any, hired as provided by the bill. This bill would also allow the Commission and SDE to enter into a cost-sharing agreement for services, supplies, facilities, and other related costs.