



**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-1268

**Date:** July 21, 2016

**Prime Sponsor(s):** Sen. Hill

**Bill Status:** Signed into Law

Rep. Williams; Sias

**Fiscal Analyst:** Marc Carey (303-866-4102)

**BILL TOPIC:** FUNDING FOR CHARTER SCHOOLS THAT CONVERT

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018		
<b>State Revenue</b>				
<b>State Expenditures</b>	See State Expenditures section.			
<b>Appropriation Required:</b> None.				
<b>Future Year Impacts:</b> Ongoing.				

### **Summary of Legislation**

This bill clarifies that if a district charter school converts to an institute charter school, or an institute charter school converts to a district charter school, the converted school's funding is still calculated using the formula that applied to the school before the conversion.

### **State Expenditures**

When a charter school converts from a school authorized by the Charter School Institute to a district authorized charter school, this bill requires that at-risk supplemental aid continue to be calculated as if the authorizer was unchanged. The same is applied to district schools that convert to institute charter schools.

Under current law, some institute charter schools receive at-risk supplemental aid. If an institute charter school converts to a district authorized school, this bill requires that the charter continue to receive the supplemental aid the school received as an institute charter school, independent of the actual number of at-risk students the charter serves. This creates a potential state expenditure impact by increasing the cost of supplemental at-risk aid. There is also a potential opposite impact for a district charter school that converts to an institute charter school.

### **School District Impact**

Under this bill, institute charter schools that receive at-risk supplemental aid and convert to a district authorized school would continue to receive the supplemental aid. These schools would thus receive assistance under this bill that they wouldn't otherwise. There is also a potential opposite impact for a district charter school that converts to an institute charter school.

**Effective Date**

The bill was signed into law by the Governor on June 10, 2016, and takes effect August 10, 2016, assuming no referendum petition is filed.

**State and Local Government Contacts**

Education