

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2015 REGULAR SESSION**

**MEASURE**

2015 BR NUMBER **0392**

**SENATE** BILL NUMBER **8**

RESOLUTION NUMBER \_\_\_\_\_

AMENDMENT NUMBER \_\_\_\_\_

**SUBJECT/TITLE** **An ACT relating to charter schools and making an appropriation therefor.**

**SPONSOR** **Senator Wilson**

**NOTE SUMMARY**

FISCAL ANALYSIS:  IMPACT     NO IMPACT     INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT:  STATE     LOCAL     FEDERAL

BUDGET UNIT(S) IMPACT: \_\_\_\_\_

FUND(S) IMPACT:  GENERAL  ROAD  FEDERAL  RESTRICTED AGENCY \_\_\_\_\_  OTHER

**FISCAL SUMMARY**

<b>FISCAL ESTIMATES</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>			
<b>EXPENDITURES</b>			
<b>NET EFFECT</b>			

( ) indicates a decrease/negative

**MEASURE'S PURPOSE:** The purpose of this measure is to establish a public charter school pilot project.

**PROVISIONS/MECHANICS:** Section 1 creates a new section of KRS Chapter 160 to define the mission and parameters of the charter school pilot program and limits it to Jefferson and Fayette County.

Section 2 creates a new section of KRS Chapter 160 and provides definitions.

Section 3 creates a new section of KRS Chapter 160 to explain the statutes and administrative regulations that will apply to the program, how the pilot program shall operate and be authorized, types of students that can be served, how the education programs shall be designed, certificates that can be granted, transportation arrangements for charter school students, qualification for

transportation funds, and eligibility to participate in programs.

Section 4 creates a new section of KRS Chapter 160 to describe how the commission shall be established and how it shall operate.

Section 5 creates a new section of KRS Chapter 160 to explain the application process.

Section 6 creates a new section of KRS Chapter 160 to explain the evaluation process of the applications.

Section 7 creates a new section of KRS Chapter 160 to explain how charter schools will be reviewed after they are established.

Section 8 creates a new section of KRS Chapter 160 to establish a Kentucky Public Charter School Commission trust fund.

Section 9 creates a new section of KRS Chapter 160 to explain powers granted to a charter school, terms for charter schools and roles of the board of directors, such as petition the KRS board of trustees for participation in the CERS.

Section 10 creates a new section of KRS Chapter 160 to explain what actions would cause a charter school to not be renewed and the process to request for renewal.

Section 11 creates a new section of KRS Chapter 160 includes types of information that shall be submitted to the commissioner of education.

Section 12 creates a new section of KRS Chapter 159 to provide definitions for focus school and gap score and explains the length of stay for students once they are accepted.

Section 13 creates a new section of KRS Chapter 160 to describe who may teach in a charter school and what benefits they may and may not receive.

Section 14 creates a new section of KRS Chapter 157 to describe how state and local funds shall be allocated directly to a charter school and what funds charter schools are eligible for. State funds are excluded from the allocation. Kentucky Department of Education (KDE) shall distribute funds directly to the charter school based on ADA and add-ons under SEEK.

Section 15 amends KRS 161.220 to include qualified teachers employed by a board of directors of a charter school.

Section 16 amends KRS 78.510 to 78.852 to include charter schools in the county definition section.

**FISCAL EXPLANATION:** The bill requires the commissioner of education to apply for

financial assistance through the federal government to implement charter schools, distribute information regarding the program to the affected school districts and the charter school commission, and make reports to the Interim Joint Committee on Education. KDE would also track certain data needed to generate a school report card as it does with all other schools. KDE has not responded to requests for the impact of charter school legislation on the department. Given the limited number of schools authorized, it can be assumed that KDE can absorb the required administrative costs.

The Kentucky Public Charter School Commission would receive an administrative fee of up to 2% of the funds for any school it authorizes. It is anticipated that this fee would be sufficient to cover the costs of the commission. No per diem costs for commission members are referenced in the bill, nor are any provisions made for staff or supplies.

KDE would directly allocate SEEK funds to those schools authorized by the charter school commission. The local school districts' funding would be reduced by the amount redirected to the charter schools. For purposes of illustration, Jefferson County is projected to receive \$3,071 per student and Fayette County is projected to receive \$2,626 per student in FY 2015, not including capital outlay.

**DATA SOURCE(S): LRC Staff**

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