## Bill Summary

2<sup>nd</sup> Session of the 57<sup>th</sup> Legislature

Bill No.: SB 1203
Version: INT
Request No.: 3039
Author: Sen. Stanislawski
Date: 02/25/2020

## **Bill Analysis**

SB 1203 modifies the calculation for charter school funding. The measure separates the student membership and attendance of the charter school from its sponsor and removes language that provided for those calculations to be added together. SB 1203 also clarifies that a charter school is eligible to receive aid, grants and other revenues, but not state-dedicated and local and county revenue. The measure also states that the legal average daily attendance of a school district shall not contain the average daily attendance of a charter school for purposes of distributing certain funds, including Commissioners of the Land Office distributions, certain gross production tax revenue, and certain ad valorem revenue.

Prepared by: Kalen Taylor

## Fiscal Analysis

FY'21 Impact: None

Full Year Impact: None

SB 1203 modifies the calculation for charter school funding. The measure separates the student membership and attendance of the charter school from its sponsor and removes language that provided for those calculations to be added together. SB 1203 also clarifies that a charter school is eligible to receive aid, grants and other revenues, but not state-dedicated and local and county revenue. The measure also states that the legal average daily attendance of a school district shall not contain the average daily attendance of a charter school for purposes of distributing certain funds, including Commissioners of the Land Office distributions, certain gross production tax revenue, and certain ad valorem revenue.

To estimate the fiscal impact, SDE used Oklahoma and Tulsa counties as a representative sample since those counties have the highest number of charter schools. State aid allocation for school districts in Oklahoma and Tulsa counties were recalculated by removing charter schools' ADA from the district's ADA where they are located. The net increase/decrease in state aid allocation was calculated for each district within that country to determine the fiscal impact by district and for the county. Only the county and state dedicated distributions made by ADA were adjusted. All other amounts, including the factors, were kept the same.

Under the current assumptions, the overall fiscal impact is expected to be revenue neutral but will occur over two consecutive years. Any increase or decrease in the county or state dedicated in one year will be offset with state dollars the following year when those amounts are used as chargeables in the formula.

There will be no fiscal impact for a charter school to directly receive the state aid allocation and other state appropriated revenue.

Prepared by: State Department of Education