

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: House Bill 1182

SHORT TITLE: Allocations for ADM Growth in Schools

SPONSOR(S): Representative Barefoot

| FISCAL IMPACT | | | | |
|--|--------------------------|----------------------------------|--------------------------|--------------------------|
| Yes (x) | No () | No Estimate Available () | | |
| <u>FY 1999-00</u> | <u>FY 2000-01</u> | <u>FY 2001-02</u> | <u>FY 2002-03</u> | <u>FY 2003-04</u> |
| REVENUES | | | | |
| EXPENDITURES \$7.3 M.- \$21.1M.\$7.3M-\$15.3 M. - - - | | | | |
| POSITIONS: | | | | |
| PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: State Board of Education, State Public School Fund | | | | |
| EFFECTIVE DATE: July 1, 1999 | | | | |

BILL SUMMARY: Directs the State Board of Education to allocate additional resources to local school administrative units experiencing a loss of students to charter schools but an overall increase in average daily membership in non-charter schools. Requires State Board of Education to use funds from Reserve for Increases in Average Daily Membership as title indicates. Requires State Board to report to Joint Legislative Education Oversight Committee on resources allocated.

ASSUMPTIONS AND METHODOLOGY:

1. Requires the allocation of additional resources to public schools following a loss of students to charter schools.
2. The majority of the impact in the public schools is in the first year that the new charter school opens.
3. Assume no more than 100 charter schools for the next four-years. Current legislative cap.
4. Estimated cost per student lost to a charter school \$3,639. A range of cost is given because the exact loss charter schools is not known until after the beginning of the school year.

5. FY1999-00 Loss to charter schools
 Low estimate 2,000 students
 High Estimated 5,800 students
6. FY2000-01
 Low estimate 2,000 students
 High Estimated 4,200 students
7. No additional losses of students after FY2000-01 due to cap of 100 schools

TECHNICAL CONSIDERATIONS: none

FISCAL RESEARCH DIVISION: 733-4910

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APPROVED BY: Tom Covington

DATE: Friday, April 23, 1999



Signed Copy Located in the NCGA Principal Clerk's Offices