

HB 584-FN - AS INTRODUCED

2017 SESSION

17-0315

04/10

HOUSE BILL ***584-FN***

AN ACT relative to chartered public school funding.

SPONSORS: Rep. Weyler, Rock. 13; Rep. Ladd, Graf. 4; Rep. Hinch, Hills. 21; Rep. Cordelli, Carr. 4; Rep. Hill, Merr. 3; Sen. Reagan, Dist 17; Sen. Giuda, Dist 2

COMMITTEE: Finance

ANALYSIS

This bill provides that funding for chartered public school pupils shall be based on a percentage of the most recently available statewide average cost per pupil for public school pupils.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struck through.]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Seventeen

AN ACT relative to chartered public school funding.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Chartered Public School Funding. Amend RSA 194-B:11, I(b) to read as follows:

2 (b)(1) Except as provided in subparagraph (2), for a chartered public school authorized
3 by the state board of education pursuant to RSA 194-B:3-a, the state shall pay ~~[tuition pursuant to~~
4 ~~RSA 198:40-a, I, II, and II-a plus an additional grant of \$2,036 for the Virtual Learning Academy~~
5 ~~Charter School and \$3,036 for all other chartered public schools directly to the chartered public~~
6 ~~school for each pupil who is a resident of this state in attendance at such chartered public school.~~
7 ~~Beginning July 1, 2017 and every biennium thereafter, the department of education shall adjust the~~
8 ~~per pupil amount of the additional grant based on the average change in the Consumer Price Index~~
9 ~~for All Urban Consumers, Northeast Region, using the "services less medical care services" special~~
10 ~~aggregate index, as published by the Bureau of Labor Statistics, United States Department of~~
11 ~~Labor] 55 percent of the state average cost per pupil for public school pupils as calculated~~
12 ~~on July 1 each year, including any differentiated aid pursuant to RSA 198:40-a, I-II for~~
13 ~~which a pupil is eligible, directly to the chartered public school.~~ The state shall pay amounts
14 required pursuant to RSA 198:40-a, III directly to the resident district.

15 (2) *For the Virtual Learning Academy Charter School authorized pursuant*
16 *to RSA 194-B:3-a, the state shall pay tuition pursuant to RSA 198:40-a, I, II, and II-a plus*
17 *an additional grant of \$2,036 directly to the Virtual Learning Academy Charter School for*
18 *each pupil who is a resident of this state in attendance at such chartered public school.*
19 *Beginning July 1, 2017 and every biennium thereafter, the department of education shall*
20 *adjust the per pupil amount of the additional grant based on the average change in the*
21 *Consumer Price Index for All Urban Consumers, Northeast Region, using the "services less*
22 *medical care services" special aggregate index, as published by the Bureau of Labor*
23 *Statistics, United States Department of Labor. The state shall pay amounts required*
24 *pursuant to RSA 198:40-a, III directly to the resident district.*

25 (3) For an online chartered public school which ~~[receives]~~ **received** its initial
26 authorization to operate from the state board of education pursuant to RSA 194-B:3-a on or after
27 July 1, 2013, the state shall pay tuition pursuant to RSA 198:40-a directly to the online chartered
28 public school for each pupil who is a resident of this state in attendance at such chartered public
29 school. In this subparagraph, "online chartered public school" means a chartered public school
30 which provides the majority of its classes and instruction on the Internet.

31 2 Effective Date. This act shall take effect 60 days after its passage.

**HB 584-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to chartered public school funding.

FISCAL IMPACT: ☒ State ☐ County ☐ Local ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2018	FY 2019	FY 2020	FY 2021
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$6,075,804	\$7,831,593	Indeterminable Increase	Indeterminable Increase
Funding Source:	<input type="checkbox"/> General <input checked="" type="checkbox"/> Education <input type="checkbox"/> Highway <input type="checkbox"/> Other			

METHODOLOGY:

This bill, assumed effective for FY 2018, amends the amount of money per pupil the State would provide to public charter schools for each student, except for payments to the Virtual Learning Academy Charter School, which is unaffected by this bill. Under current law, the annual per pupil aid for public charter schools is \$4,917.78 for kindergarten students, and \$6,735.81 for grade 1-12 students, including any qualifying differentiated aid under RSA 198:40-a. Under this bill, per pupil aid for all pupils (including kindergarten) would be calculated at 55 percent of the most recently available statewide average cost per pupil for public schools, including any differentiated aid. It is unclear if “including any differentiated aid” means differentiated aid is included in the average cost per pupil or if charter schools would receive differentiated aid payments in addition to the 55 percent of the average cost per pupil. The calculations below assume the later and that differentiated aid payments would be unaffected by this bill.

School Year	State Average Cost per Pupil	55% Estimated State Average Cost Per Pupil	Payment Year
2015/2016 (Actual)	\$14,901.93	\$8,196.06	FY 2018
2016/2017 (Estimated*)	\$15,372.83	\$8,455.06	FY 2019

* The average increase of the average cost per pupil from 2012 through 2016 is 3.16%, which is assumed as the estimated increase from FY 2016 to FY 2017.

	FY 2018	FY 2019
Current Law		

Annual Per Pupil Aid (Kindergarten)	\$4,917.78	\$4,917.78
Annual Per Pupil Aid (Grades 1-12)	\$6,735.81	\$6,735.81
Enrollment Projection (Kindergarten)	191	213
Enrollment Projection (Grades 1-12)	3,732	4,117
Total Per Pupil Aid (Kindergarten)	\$939,296	\$1,047,487
Total Per Pupil Aid (Grades 1-12)	\$25,138,043	\$27,731,330
Differentiated Aid	\$1,897,834	\$2,110,570
VLACS	\$9,132,271	\$10,229,515
Total Under Current Law	\$37,107,444	\$41,118,902
<u>Proposed</u>		
Annual Per Pupil Aid (Kindergarten)	\$8,196.06	\$8,455.06
Annual Per Pupil Aid (Grades 1-12)	\$8,196.06	\$8,455.06
Enrollment Projection (Kindergarten)	191	213
Enrollment Projection (Grades 1-12)	3,732	4,117
Total Per Pupil Aid (Kindergarten)	\$1,565,447	\$1,800,928
Total Per Pupil Aid (Grades 1-12)	\$30,587,696	\$34,809,482
Differentiated Aid	\$1,897,834	\$2,110,570
VLACS	\$9,132,271	\$10,229,515
Total Under This Bill	\$43,183,248	\$48,950,495
Estimated Increase / (Decrease)	\$6,075,804	\$7,831,593

Charter school enrollment estimates for FY 2020 and each year thereafter have not yet been made.

AGENCIES CONTACTED:

Department of Education