

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 29, 2003

TO: Honorable Tom Craddick, Speaker of the House, House of Representatives

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1202 by Dutton (Relating to recovery of certain funds received by an open-enrollment charter school.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

This bill would prohibit the Commissioner of Education from garnishing or otherwise recovering funds paid to an open-enrollment charter school, if the basis for recovery is that the number of students enrolled in the school exceeded the authorized enrollment in the schools charter, funding was distributed based on actual enrollment, and the school used the funds received to provide educational services to the students. The Texas Education Agency currently monitors charter schools for early indications that a school may be exceeding its enrollment authorization.

The bill would take effect September 1, 2003 or immediately upon passage by the necessary voting margins. If the bill is enacted with an immediate effective date, recoveries currently underway for prior school years may not be allowed to proceed.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 701 Central Education Agency

LBB Staff: JK, WP, CT, UP, JGM