

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 1, 2017

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1838 by Hughes (Relating to the applicability of certain laws to open-enrollment charter schools.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would require a municipality to consider an open-enrollment charter school a school district for purposes of zoning, permitting, code compliance, and development, except those charter schools that are located in a municipality with a population less than 20,000 that are not subject to zoning. The bill also includes charter schools in an exemption from paying impact fees for development in municipalities.

The bill would take effect September 1, 2017, or immediately if passed with the necessary voting margins, and would apply beginning with school year 2018-19.

Local Government Impact

According to the Texas Municipal League, local impact fees are assessed on property to recover the costs that the development will have on infrastructure. The fiscal impact would vary depending on the amount of property involved and the number of charter schools that are built in the future. Therefore, the fiscal impact to municipalities cannot be determined; however, costs are not anticipated to be significant.

Charter schools may need to retain additional legal counsel for purposes of potential liability and suit. Additionally, they may have additional costs relating to code compliance, administrative needs, and unforeseen complications with facility acquisition/management.

Source Agencies: 701 Texas Education Agency

LBB Staff: UP, THo, AM, SL, JGA