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HOUSE FISCAL AGENCY

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HB4800 H-2	AS REPORTED WITH AMENDMENT(S)	**Sponsor**	Rep. Wayne Kuipers
		Committee	EDUCATION
Analyst(s)	Cleary, Mary Ann Cummings, Laurie	**Completed**	6/25/01

State Fiscal Impact		**Local Fiscal Impact**	
Cost	Increase	**Cost**	None
Revenues	None	**Revenues**	None

The current cap in the number of public school academies (PSAs) that may be chartered by public universities is 150 schools, a cap which was reached in the fall of 2000. HB 4800 would raise the cap on university-chartered schools by 50 schools in FY 2001, and an additional 50 in FY 2002, and an additional 25 each year thereafter. Since the school year which occurs in FY 2001 is complete for most districts, this bill would essentially raise the cap by 100 schools for FY 2002.

The average size of a new public school academy is expected to be approximately 300 students, for a total of 30,000 additional students in FY 2002 and 7,500 each subsequent year. (This analysis assumes that the cap will be reached each year.) These fiscal estimates assume that 25 percent of students in these new charters transfer from nonpublic schools or, in the case of kindergarten students, would have otherwise enrolled in a nonpublic school. It is assumed that the remaining 75 percent would transfer from existing public schools, creating no additional cost to the state. This means that there would be approximately 7,500 additional pupils in the public school system in FY 2002, and 1,875 additional pupils in FY 2003 and each subsequent year.

In FY 2002, PSAs will receive a per pupil foundation allowance equal to that of the surrounding school district or $6,800 per pupil, which ever is less. In FY 2003, the limit is $7,000. Multiplying the per-pupil foundation allowance by the estimated number of additional pupils in the public school system yields an estimated additional cost to the state of $51.0 million in FY 2002 if the cap of 250 schools is reached. That cost would be repeated in FY 2003, and an additional $13.1 in new costs would be generated by the opening of 25 additional schools, for a total FY 2003 fiscal impact of $64.1 million.