



130th MAINE LEGISLATURE

LD 430**LR 518(02)**

An Act To Provide for School Choice and Online Learning Opportunities in Response to the COVID-19 Pandemic

Fiscal Note for Bill as Amended by Committee Amendment " "**Committee: Education and Cultural Affairs****Fiscal Note Required: Yes**

Fiscal Note

Redistribution of state subsidy - General Purpose Aid for Local Schools

Fiscal Detail and Notes

Removing the limits on virtual charter school enrollment and the number of public charter schools that may operate in the State may result in a redistribution of state subsidy provided for kindergarten through grade 12 education with charter schools receiving more state subsidy than would have been received absent this legislation and local school administrative units (SAU's) receiving less. Although the actual impact for the 2021-2022 school year will depend on the number of students currently enrolled in a public school that choose to enroll in a charter school, an estimate can be made based on the number of students currently waiting to attend a charter school.

According to Fall 2020 enrollment data, there are approximately 562 students on waiting lists to attend either a virtual charter school or a traditional charter school. Assuming these students are currently enrolled in a public school and that all of the students choose to enroll in a charter school for the 2021-2022 school year, the Department of Education estimates that \$4.8 million in subsidy will be redistributed from local SAUs to charter schools. Because the State funds 100% of the cost for students to attend a charter school, this redistribution of funds will result in an increase in the mill expectation for the 2021-2022 school year, from 8.18 mills currently proposed in the Governor's proposed 2022-2023 biennial budget to 8.23 mills.

This preliminary fiscal impact statement assumes that no additional General Fund appropriations will be provided to the General Purpose Aid for Local Schools program in fiscal year 2021-22 for this provision. If \$4.8 million were to be appropriated, the mill expectation would remain at 8.18 mills and state subsidy to SAUs would not be redistributed for the 2021-2022 school year.