



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

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|------------------------|----------------------|--------------------------------|
| Bill Number: | H. 3297 | Introduced on January 14, 2025 |
| Subject: | Charter Schools | |
| Requestor: | House Ways and Means | |
| RFA Analyst(s): | Bryant | |
| Impact Date: | April 10, 2025 | |

Fiscal Impact Summary

This bill requires that charter schools authorized by the South Carolina Public Charter School District (SCPCSD) or an institution of higher education receive an additional \$1,000 in per pupil funding from either the S.C. Department of Education (SCDE) or the authorizing institution of higher education if the school: (1) is located in certain counties, or (2) has 75 percent or more pupils in poverty and a good or excellent academic achievement rating.

SCDE indicates that this bill will have a minimal impact on expenditures as long as the necessary funds are appropriated by the General Assembly.

SCDE surveyed the three charter school districts and received a response from SCPCSD regarding the impact of the bill. Based upon information provided by SCPCSD, the Revenue and Fiscal Affairs Office (RFA) estimates that the district currently has seven eligible schools serving a combined 3,715 students, resulting in an increase in per pupil funding of \$3,715,000. Additionally, based on the FY 2023-24 135-day student count, RFA estimates that the Charter Institute at Erskine currently has one eligible school serving 664 students, and the Limestone Charter Association currently has one eligible school serving 437 students, resulting in increases in per pupil funding of \$664,000 and \$437,000, respectively. Therefore, the bill would require an increase in per pupil funding of approximately \$4,816,000 for the qualifying charter schools in FY 2025-26 from either SCDE or the authorizing institutions of higher education.

Explanation of Fiscal Impact

Introduced on January 14, 2025

State Expenditure

This bill provides that a qualifying charter school authorized by either SCPCSD or an institution of higher education must receive an additional \$1,000 in per pupil funding from either SCDE or the authorizing institution of higher education. The bill further specifies the criteria to qualify for the additional funding as detailed in the Local Revenue Section below

SCDE indicates that this bill will have a minimal impact on expenditures as long as the necessary funds are appropriated by the General Assembly.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

This bill provides that a qualifying charter school authorized by either SCPCSD or an institution of higher education must receive an additional \$1,000 in per pupil funding from either SCDE or the authorizing institution of higher education. To qualify for the additional funding, the charter school must:

- be located in Allendale, Bamberg, Barnwell, Clarendon, Colleton, Darlington, Dillon, Hampton, Jasper, Lee, Marion, Marlboro, Orangeburg, Sumter, or Williamsburg County; or
- include 75 percent or more pupils in poverty based on the statewide 135-day pupils in poverty index for the current academic year and receive a rating of good or excellent on the academic achievement indicator on the South Carolina State Report Card for the previous academic year.

SCDE surveyed the three charter school districts and received a response from SCPCSD. Based upon information provided by SCPCSD, RFA estimates that the district currently has seven eligible schools serving a combined 3,715 students, resulting in an increase in per pupil funding of \$3,715,000. Additionally, based on the FY 2023-24 135-day student count, RFA estimates that the Charter Institute at Erskine currently has one eligible school serving 664 students and the Limestone Charter Association currently has one eligible school serving 437 students, resulting in increases in per pupil funding of \$664,000 and \$437,000, respectively. Based on these estimates, the bill would require an increase in per pupil funding of \$4,816,000 for the qualifying charter schools in FY 2025-26 from either SCDE or the authorizing institution of higher education.



Frank A. Rainwater, Executive Director