



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

WWW.RFA.SC.GOV • (803)734-3793

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.

Bill Number: H. 3862 Introduced on January 30, 2025
Subject: Charter School Enrollment Preferences
Requestor: House Education and Public Works
RFA Analyst(s): Bryant
Impact Date: February 4, 2025

Fiscal Impact Summary

This bill authorizes charter schools to give enrollment preference to dependents of active-duty military members residing or stationed in South Carolina without requiring participation in a lottery if their enrollment does not constitute more than 20 percent of the overall enrollment. The bill also revises existing enrollment preference provisions.

The S.C. Department of Education (SCDE) previously indicated on similar legislation that the bill would have no expenditure impact, as it did not alter the duties or responsibilities of the department. Therefore, the Revenue and Fiscal Affairs Office (RFA) does not anticipate that the bill will have an expenditure impact for SCDE.

This bill is not expected to have a fiscal impact on local school districts. SCDE previously surveyed the ten regular school districts that currently authorize or sponsor charter schools and the three charter school districts. The six responding districts indicated that the bill would have no expenditure impact since any expenses could be managed with existing appropriations. Based upon these responses, RFA does not anticipate that the bill will have a fiscal impact on local school districts.

Explanation of Fiscal Impact

Introduced on January 30, 2025

State Expenditure

This bill authorizes charter schools to give enrollment preference to dependents of active-duty military members residing or stationed in South Carolina without requiring participation in a lottery if their enrollment does not constitute more than 20 percent of the overall enrollment. The bill also revises existing enrollment preference provisions.

Additionally, the bill specifies that a student eligible for multiple enrollment preferences may be enrolled based on only one of the preferences, at the charter school's discretion. The bill further specifies that a student eligible for an enrollment preference that is denied the enrollment preference because the charter school has exceeded the number of enrollment preferences allowed must be permitted to participate in any enrollment lottery held by the school for the year the enrollment preference is denied.

S.C. Department of Education. SCDE previously indicated on similar legislation that the bill would have no expenditure impact, as it did not alter the duties or responsibilities of the department. Therefore, RFA does not anticipate that the bill will have an expenditure impact for SCDE.

State Revenue

N/A

Local Expenditure

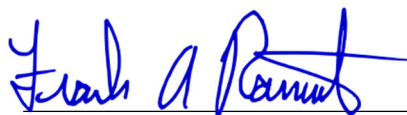
This bill authorizes charter schools to give enrollment preference to dependents of active-duty military members residing or stationed in South Carolina without requiring participation in a lottery if their enrollment does not constitute more than 20 percent of the overall enrollment. The bill also revises existing enrollment preference provisions.

Additionally, the bill specifies that a student eligible for multiple enrollment preferences may be enrolled based on only one of the preferences, at the charter school's discretion. The bill further specifies that a student eligible for an enrollment preference that is denied the enrollment preference because the charter school has exceeded the number of enrollment preferences allowed must be permitted to participate in any enrollment lottery held by the school for the year the enrollment preference is denied.

This bill is not expected to have a fiscal impact on local school districts. SCDE previously surveyed the ten regular school districts that currently authorize or sponsor charter schools and the three charter school districts. The six responding districts indicated that the bill would have no expenditure impact since any expenses could be managed with existing appropriations. Based upon these responses, RFA does not anticipate that the bill will have a fiscal impact on local school districts. For reference, SCDE also indicated that in FY 2023-24, there were 15,563 students with a parent who was an active duty military servicemember residing or stationed in South Carolina. Further, based upon the FY 2024-25 45-day student counts from SCDE, the total average daily membership for charter school districts is 52,803 students. Twenty percent of overall charter school enrollment for FY 2024-25 is approximately 10,561 students.

Local Revenue

N/A



Frank A. Rainwater, Executive Director