



This Bill Analysis reflects the contents of the bill as it was presented in committee.

# SENATE BILL 211: Damages for Late Payment of Monies/Charters

2015-2016 General Assembly

<b>Committee:</b>	Senate Education/Higher Education	<b>Date:</b>	April 28, 2015
<b>Introduced by:</b>	Sen. Tillman	<b>Prepared by:</b>	Drupti Chauhan Committee Counsel
<b>Analysis of:</b>	PCS to First Edition S211-CSRQ		

**SUMMARY:** Senate Bill 211 provides for an additional 5% monetary penalty for the prevailing party in an action between a local school administrative unit (LEA) and a charter school regarding the transfer of the per pupil share of the local current expense fund.

The Proposed Committee Substitute (PCS) would provide that the court shall also award the prevailing party liquidated damages in an amount equal to 5% of the monies that should have been transferred as compensation for administrative expenses incurred by the prevailing party due to the unavailability of those monies.

**CURRENT LAW:** If a student attends a charter school, the LEA in which the child resides must transfer to the charter school an amount equal to the per pupil share of the local current expense fund of the local school administrative unit for the fiscal year within 30 days of the receipt of monies into the local current expense fund. In addition, the LEA must also provide each charter school to which it transfers a per pupil share of its local current expense fund information on monies the LEAs have in various funds; student membership numbers and how calculations were made; and additional records the charter school requests to audit and verify the calculation and transfers. In actions brought for violations of these transfer requirements, the court must award the prevailing party reasonable attorneys' fees and costs incurred as well as the delinquent funds all of which must be paid no later than one year from the entry of any judgment.

**BILL ANALYSIS:** The PCS would provide that the court shall also award the prevailing party liquidated damages in an amount equal to 5% of the monies that should have been transferred as compensation for administrative expenses incurred by the prevailing party due to the unavailability of those monies.

**EFFECTIVE DATE:** The bill would become effective when it becomes law and applies to any actions filed on or after that date.

O. Walker Reagan  
Director



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