



State of Tennessee

PUBLIC CHAPTER NO. 673

SENATE BILL NO. 1731

By Gresham, Hensley, Crowe, Tate, Tracy, Gardenhire, Haile

Substituted for: House Bill No. 1807

By Harry Brooks, Mark White, Kane, Dunn, Forgety, DeBerry, Smith

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 13, relative to the oversight of charter schools authorized by the state board of education.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 13, is amended by adding the following language as a new section:

(a) This section shall apply to charter schools for which the state board of education is the chartering authority under § 49-13-108(a)(4)(E), § 49-13-121(b)(2)(C), or § 49-13-141.

(b) If the state board is the chartering authority of a charter school, then the state board shall receive an annual authorizer fee of up to four percent (4%) of the charter school's per student state and local funding as allocated under § 49-13-112(a) for the first two (2) school years in which the state board oversees charter schools. Beginning with the third school year in which the state board oversees charter schools and thereafter, the state board shall receive an annual authorizer fee of up to three percent (3%) of the charter school's per student state and local funding as allocated under § 49-12-112(a).

(c) By April 1, of each year, the state board, or the state board's designee, shall set the percentage of a charter school's per student state and local funding that the state board shall receive as the annual authorizer fee for the next school year. This percentage shall apply to all charter schools for which the state board is the chartering authority.

(d) The state board shall use the authorizer fee exclusively for fulfilling authorizing obligations in accordance with this chapter.

(e) If, for any school year, the total amount of authorizer fees collected by the state board exceeds the amount used by the state board to perform its authorizing duties, the state board shall distribute the amount remaining to its authorized charter schools. The state board shall develop a process to refund the unused fees to its authorized charter schools in the school year immediately following the school year in which the unused fees were collected by the state board.

(f) By December 1, of each year, the state board shall publicly report the total amount of authorizer fees collected in the previous school year and the authorizing obligations fulfilled using the fee. The report shall be posted on the state board's web site.

SECTION 2. This act shall take effect July 1, 2016, the public welfare requiring it.

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PASSED: March 17, 2016



RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 29th day of March 2016



BILL HASLAM, GOVERNOR