



State of Tennessee

PUBLIC CHAPTER NO. 326

HOUSE BILL NO. 315

By Representative Harry Brooks

Substituted for: Senate Bill No. 205

By Senator Gresham

AN ACT to amend Tennessee Code Annotated, Title 8; Title 9; Title 12 and Title 49, relative to charter schools.

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

SECTION 1. Tennessee Code Annotated, Section 49-13-111(e), is amended by deleting the subsection in its entirety and by substituting instead the following:

(e) All contracts for goods in excess of ten thousand dollars (\$10,000) shall be bid and must be approved by the governing body of each public charter school.

SECTION 2. Tennessee Code Annotated, Section 49-13-106(b)(2)(B), is amended by designating the existing language as subdivision (i) and by adding the following language as a new subdivision (ii)

(ii) Conversion of a public school to a public charter school at the request of the local board of education:

(a) Upon a local board's review of a charter school application, the local board may request that the sponsor amend the application to provide for the conversion of an existing public school.

(b) If the sponsor declines the request of the local board, then the local board shall proceed with the review of the application under § 49-13-108.

SECTION 3. Tennessee Code Annotated, Section 49-13-106(b), is amended by adding the following language as a new subdivision (3).

(3) Conversion of a school to a charter school by a charter school sponsor:

(A) A charter school sponsor may apply to an LEA to convert an existing public school to a charter school to serve the students zoned to the school. A charter school sponsor shall submit its application to the LEA and the LEA shall act on the application within the time frames set under §§ 49-13-107 and 49-13-108.

(B) Students living in other school zones may enroll after those living in the school zone, but only if there is program, class, grade level and building capacity to serve the out-of-zone students. If applications by out-of-zone students exceed the charter school's capacity, then enrollment of out-of-zone students shall be determined on the basis of a lottery. Out-of-zone students who attended the school the previous school year and such students' siblings may be given preference in enrollment. Parents whose children are enrolled in the existing public school to be converted shall have the option to enroll their children in another public school operated by the LEA without penalty.

(C) The conversion shall occur at the beginning of an academic school year and shall be subject to compliance with this chapter.

(D) If the application to convert an existing public school to a charter school is approved, then the charter school shall occupy the existing public school's facility.

(E) If the application to convert an existing public school to a charter school is approved, then any teacher or administrator in the school converted to a charter school may be allowed to transfer into vacant positions for which they are certified in other schools in the LEA. Personnel who transfer into vacant positions in other schools in the LEA shall suffer no impairment, interruption or diminution of the rights and privileges of a then existing teacher or administrator, and the rights and privileges shall continue without impairment, interruption or diminution with the local board of education. "Rights and privileges," as used in this subdivision (E), include, but are not limited to, salary, pension or retirement benefits, sick leave accumulation and tenure with the local board of education. The director of schools shall have the option to specifically assign these teachers or administrators to those vacant positions.

(F) If the LEA denies the application, the LEA's decision is final and no appeal of the denial may be made.

SECTION 4. Tennessee Code Annotated, Section 49-13-112(b)(3)(C), is amended by adding the following language at the end of the subdivision:

Notwithstanding subdivision (b)(3)(B), if the charter agreement includes an agreement with the LEA for administrative or other services, then the LEA may withhold funds to cover the costs of those services.

SECTION 5. Tennessee Code Annotated, Section 49-13-104(6), is amended by deleting the subdivision in its entirety and by substituting instead the following:

(6) "Governing body" means the organized group of persons who will operate a public charter school or schools by deciding matters, including, but not limited to, budgeting, curriculum and other operating procedures for the public charter school and by overseeing management and administration of a public charter school.

SECTION 6. Tennessee Code Annotated, Title 49, Chapter 13, is amended by adding the following language as a new, appropriately designated section:

49-13-1__.

(a) The membership of a governing body shall include at least one (1) parent representative whose child is currently enrolled in a charter school operated by the governing body. The parent representative shall be appointed by the governing body within six (6) months of the school's opening date. A charter management organization may satisfy this requirement by establishing an advisory school council at each school that it operates. An advisory school council shall consist of no fewer than five (5) members and shall include the principal, at least one (1) parent and at least one (1) teacher representative.

(b) A local board of education shall not serve as the governing body of a public charter school;

SECTION 7. Tennessee Code Annotated, Section 49-13-104, is amended by adding the following language as new subdivision (4) and by renumbering subsequent subdivisions accordingly:

(4) "Charter management organization" or "CMO" means a nonprofit entity that operates multiple charter schools at least one (1) of which is in Tennessee.

SECTION 8. Tennessee Code Annotated, Section 49-13-102(a)(2), is amended by deleting the words "in high priority schools".

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SECTION 9. Tennessee Code Annotated, Section 49-13-112(b)(3), is amended by adding the following language as new subdivision (D):

(D) Any fee for service that is agreed to by a charter school and the chartering authority shall be set forth in an addendum to the charter school agreement or in a separate document.

SECTION 10. Tennessee Code Annotated, Section 49-13-121, is amended by adding the following language as new subsection (e):

(e) One (1) year prior to the date on which a charter school is required to submit a renew application, the chartering authority shall submit to the charter school a performance report that directly reflects the renewal evaluation.

SECTION 11. Tennessee Code Annotated, Section 49-13-113(b)(2)(A), is amended by deleting subdivision (ii) in its entirety and substituting instead the following:

(ii) Pupils attending during the previous school year:

(a) Another charter school that has an articulation agreement with the enrolling public charter school; provided, that the articulation agreement has been approved by the chartering authority; or

(b) A pre-K program operated by the charter school sponsor;

SECTION 12. Tennessee Code Annotated, Section 49-13-127(b), is amended by adding the following language as a new subdivision (3):

(3) A CMO may comply with subdivision (b)(1) by submitting one (1) audit for all the charter schools operated in Tennessee by the CMO; provided, that such audit includes all information required under this section for each school.

SECTION 13. Tennessee Code Annotated, Section 49-13-106(b), is amended by deleting the words "an eligible public school" wherever they appear and substituting instead the words "a school".

SECTION 14. Tennessee Code Annotated, Section 49-13-106(b)(2), is amended by deleting the language "Conversion of eligible schools" and substituting instead the language "Conversion of schools".

SECTION 15. Tennessee Code Annotated, Section 49-13-108(b), is amended by deleting the subsection in its entirety and by substituting instead the following:

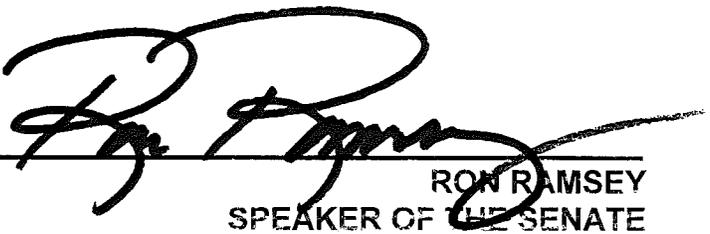
(b) The local board of education may consider whether the establishment of the charter school will have a substantial negative fiscal impact on the LEA such that authorization of the charter school would be contrary to the best interest of the pupils, school district or community.

SECTION 16. This act shall take effect July 1, 2013, the public welfare requiring it.

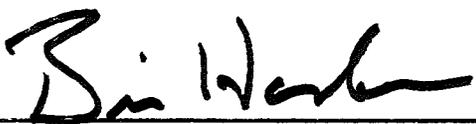
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PASSED: April 19, 2013


BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES


RON RAMSEY
SPEAKER OF THE SENATE

APPROVED this 13th day of May 2013


BILL HASLAM, GOVERNOR