



State of Tennessee

PUBLIC CHAPTER NO. 134

HOUSE BILL NO. 34

By Representatives Carr, Farmer, White

Substituted for: Senate Bill No. 375

By Senators Swann, Southerland, Akbari

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 2 and Title 49, Chapter 3, relative to funds for noneducational purposes.

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

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 2, Part 1, is amended by adding the following language as a new section:

(a) A local board of education may authorize a teacher, school employee, or other person employed by the LEA to raise funds for noneducational purposes.

(b) A local board of education that authorizes a teacher, school employee, or other person employed by the LEA to raise funds for noneducational purposes shall develop, adopt, and provide the LEA with policies and procedures for use of the funds, including policies and procedures for the receipt, disbursement, and accounting of all funds.

(c) The policy developed by a local board of education pursuant to this section must include sources from which an employee may derive noneducational purpose funds, which may include vending machine revenue, donations, or other sources as approved by the local board of education. The policy must also include guidelines for how funds for noneducational purposes must be used, which may include bereavement, award recognition, employee morale, or banquets.


(d) Any group of persons raising money for noneducational purposes pursuant to this section and the policies and procedures of a local board of education are not considered a "school support organization" as defined by § 49-2-603(4).

(e) All funds raised for noneducational purposes pursuant to this section are subject to audit by the comptroller of the treasury or the comptroller's designee. The local board of education shall pay the cost of the audit and shall cooperate fully with the comptroller of the treasury or the comptroller's designee in the performance of the audit.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

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PASSED: March 18, 2019



GLEN CASADA, SPEAKER
HOUSE OF REPRESENTATIVES



RANDY MCNALLY
SPEAKER OF THE SENATE

APPROVED this 9th day of April 2019



BILL LEE, GOVERNOR