



State of Tennessee

PUBLIC CHAPTER NO. 206

SENATE BILL NO. 980

By Gardenhire, Bowling, Stevens

Substituted for: House Bill No. 1086

By Baum, White, Bulso, Todd

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 13, relative to charter schools.

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

SECTION 1. Tennessee Code Annotated, Section 49-13-107, is amended by deleting subsection (e) and substituting instead the following:

(e) In reviewing and evaluating a charter application, an authorizer shall, if applicable, consider the performance, including student growth and achievement, of any charter school operated by the sponsor, governing body, or charter management organization.

SECTION 2. Tennessee Code Annotated, Section 49-13-110, is amended by designating subsection (e) as subsection (f) and adding the following as a new subsection (e):

(e) If an LEA's local board of education changes the grade bands for the LEA's elementary schools, middle schools, elementary and secondary schools, or elementary or secondary schools, as those terms are defined in § 49-6-301, then the local board of education shall notify each public charter school authorized by the LEA at least one hundred twenty (120) days before the grade band changes are implemented to allow the public charter school to seek an amendment to the school's charter agreement.

SECTION 3. Tennessee Code Annotated, Section 49-13-113, is amended by deleting subsections (b) and (c) and substituting instead the following:

(b) A charter school authorized by the commission is open to students residing within the geographic boundaries of the LEA in which the charter school is located.

(c)(1) If a public charter school's authorizer has a policy allowing out-of-district enrollment, then the public charter school may enroll students residing outside the geographic boundaries of the LEA in which the public charter school is located if capacity is available after all eligible in-district students have been enrolled. A public charter school's total enrollment of out-of-district students shall not exceed twenty-five percent (25%) of the public charter school's total enrollment.

(2) State school funds must follow a student into the LEA in which the public charter school is located and to which the student transfers.

(3) Tuition may be charged by the LEA in which the public charter school is located and to which a student transfers, as provided in § 49-6-3003.

(4) If a public charter school's authorizer has a policy that prohibits out-of-district enrollment, then the public charter school may request to adopt an out-of-district enrollment policy through the waiver process outlined in § 49-13-111; provided, however, that the waiver request may only be submitted to the public charter school's authorizer for approval.

SECTION 4. Tennessee Code Annotated, Section 49-13-113(d), is amended by deleting subdivision (5), designating subdivisions (6)-(7) as subdivisions (7)-(8), and adding the following as new subdivisions (5) and (6):

(5) A public charter school may give an enrollment preference to students who are economically disadvantaged, as defined in § 49-3-104. A public charter school may request information to verify that a student is economically disadvantaged on the application submitted pursuant to subdivision (d)(1) for purposes of an enrollment lottery, but shall not require it. Only students who legally qualify may be given an enrollment preference pursuant to this subdivision (d)(5).

(6) A public charter school may give an enrollment preference to children of the public charter school's employees or to the children of a member of the public charter school's governing body, not to exceed ten percent (10%) of the public charter school's total enrollment or twenty-five (25) students, whichever is less.

SECTION 5. Tennessee Code Annotated, Section 49-13-113(d)(4), is amended by designating subdivisions (B)-(E) as subdivisions (C)-(F) and adding the following as a new subdivision (B):

(B) Students who are economically disadvantaged as provided in subdivision (d)(5), if the enrollment preference is used by the public charter school;

SECTION 6. Tennessee Code Annotated, Section 49-13-122, is amended by deleting subsections (b)-(h) and substituting instead the following:

(b) A public charter school agreement may be revoked by the authorizer if the authorizer determines that the school:

(1) Committed a material violation of the conditions, standards, or procedures set forth in the charter agreement;

(2) Failed to meet or make sufficient progress toward the performance expectations set forth in the charter agreement; or

(3) Failed to meet generally accepted standards of fiscal management.

(c)(1) Each authorizer shall, by August 1, 2023, adopt a progressive intervention policy that outlines the process for charter school intervention if the authorizer determines that a public charter school meets the criteria for revocation under subsection (b), or if the authorizer determines that a public charter school is not complying with this chapter or with the charter agreement.

(2) If an authorizer determines that a public charter school meets the criteria for revocation under subsection (b), or that a public charter school is not complying with this chapter or with the charter agreement, then the authorizer shall promptly notify the public charter school and provide the public charter school the opportunity to remedy the issue within the timeframe established by the authorizer according to the authorizer's progressive intervention policy.

(3) If the public charter school fails to remedy the issue within the timeframe established by the authorizer according to the authorizer's progressive intervention policy, then the authorizer may issue corrective actions short of revocation; provided, that a corrective action shall not include a financial sanction. Corrective actions short of revocation that may be issued by the authorizer must be outlined in the authorizer's progressive intervention policy.

(4) If the corrective actions fail to remedy the issue, then the authorizer may seek revocation of the charter agreement pursuant to this section.

(5) Each progressive intervention policy must align with the state board of education's quality public charter school authorizing standards adopted pursuant to § 49-13-108(f), and must be reviewed by the state board of education as part of the authorizer quality evaluation required under § 49-13-145.

(d) A charter agreement may be revoked at any time by the authorizer in an emergency situation without the authorizer first having to implement the progressive intervention policy. An emergency situation includes, but is not limited to, instances of fraud; misappropriation of funds; flagrant violation of health and safety laws, rules, and regulations; flagrant disregard of the charter agreement; or similar misconduct.

(e) Thirty (30) days prior to a decision by an authorizer to revoke a charter agreement, the authorizer shall notify the public charter school in writing of the possibility of revocation and the reasons for the possible revocation.

(f) If the authorizer revokes a charter agreement, then the authorizer shall clearly state in writing the reasons for the revocation.

(g) No later than ten (10) days after an authorizer adopts a resolution to revoke a charter agreement, the authorizer shall report the authorizer's decision to the department of education and shall provide a copy of the resolution that sets forth the authorizer's decision and the reasons for the decision.

(h)(1) A decision to revoke a charter agreement may be appealed to the commission no later than ten (10) days after the date of the decision, except for revocations based on the violations specified in subsection (a). No later than sixty (60) days after the commission receives a notice of appeal and after the commission provides reasonable public notice, the commission shall hold an open meeting in the LEA in which the public charter school has been operating to conduct a de novo on the record review of the local board of education's decision. In order to overturn a local board of education's decision to revoke a charter agreement, the commission must find that the decision was contrary to this section. If the commission overturns the local board of education's decision to revoke a charter agreement, then the commission shall remand the decision to the local board of education and the local board of education shall remain the authorizer. The commission's decision is final and is not subject to appeal.

(2) This subsection (h) only applies to decisions to revoke a charter agreement for which the local board of education is the authorizer.

(i) Except in an emergency situation, as described in subsection (d), a decision to revoke a charter agreement becomes effective at the close of the school year.

SECTION 7. Tennessee Code Annotated, Section 49-13-132, is amended by deleting the language "ages, addresses, dates of attendance," and substituting "ages, addresses, electronic mail addresses, telephone listings, the most recent school attended, dates of attendance,".

SECTION 8. This act takes effect upon becoming a law, the public welfare requiring it.

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PASSED: April 3, 2023



RANDY MCNALLY
SPEAKER OF THE SENATE



CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 24th day of April 2023



BILL LEE, GOVERNOR