

Education Instruction & Programs 1

Amendment No. 1 to HB2612

**Forgety
Signature of Sponsor**

AMEND Senate Bill No. 2506

House Bill No. 2612*

by deleting all language after the enacting clause and substituting instead the following:

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

(a) As used in this section:

(1) "Public school" or "school" means a rural school or a charter school;

and

(2) "Rural school" means an LEA operated school in an LEA that has an average daily membership (ADM) of twelve thousand five hundred (12,500) or fewer students.

(b)

(1)

(A) The department of education shall create a program to provide certain facilities funding to charter schools and rural schools. Under the program, the department shall establish, administer, and monitor a system of competitive grants to public schools that provide funds to:

(i) Equip teachers with modern teaching tools and technologies;

(ii) Upgrade facilities to ensure safe learning environments for students; and

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(iii) Modernize education technology infrastructure for school facilities for both day-to-day personalized learning applications and annually required state assessments.

(B) Grants may be used to completely fund a new small capital project, such as technology infrastructure upgrades, new roofs, or fire alarms, or as part of the funding effort for a new large capital project.

(2)

(A) Applications for the award of grants shall be filed with the department according to guidelines developed by the department for the administration of the grant program.

(B) The governing body of a charter school shall file the application with the department. The permission of the charter school's authorizing body is not required to file an application.

(C) A rural school or the LEA in which the rural school is located may file the application with the department.

(3) The department shall give preference in the award of grants to public schools that:

(A) Require funding assistance for capital facilities projects in order to improve facilities with imminent safety and student welfare concerns; or

(B) Are in LEAs whose fiscal capacity to raise capital facilities funding is limited.

(4)

(A) To receive a grant under this section, a public school shall provide a matching amount from donations or its funds, including bond funds, if not prohibited by the bond issue. The department shall set guidelines for the required match that may vary from school to school and that take into consideration:

(i) The type of project to be funded;

(ii) The percentage of the students enrolled in the school who qualify for free or reduced price lunch, with a lower match for those schools having a high percentage of students receiving free or reduced price lunch;

(iii) If the school is a rural school:

(a) The fiscal capacity of the LEA; or

(b) The LEA's operating budget, with a higher match for those LEAs having a higher fund balance; or

(iv) If the school is a charter school:

(a) The percentage of the per pupil revenue received by a charter school that the charter school spends on facility costs other than operation and maintenance of facilities, with a lower match for those schools having higher facility costs; or

(b) A charter school's management organization's annual operating budget, with a higher match for those

charter school management organizations having a higher fund balance.

(B) In any grant cycle, the match percentage calculated for a charter school under subdivision (b)(4)(A) shall fall between the lowest match percentage for an LEA operated school and the highest match percentage for an LEA operated school.

(C) The department may waive or reduce the amount of the match required in extenuating circumstances as it determines appropriate.

(5) The department may make site visits to review a project's progress or to review a completed project.

(6) A school that receives a grant shall submit a final report to the department when the project for which the grant was awarded is complete. The final report shall be submitted on a standardized form provided by the department. Final payment of any remaining grant funds shall be made only after the final report is submitted. At time of final payment, the project for which the grant was received shall be considered closed.

(7) If a school does not expend the entire amount of the grant funds awarded for a project, the unused balance shall be returned to or remain in the charter and rural schools facility assistance fund created under subsection (c).

(8) The program shall commence in the first fiscal year for which moneys are appropriated for the program in the general appropriations act. In any fiscal year in which moneys are appropriated for the program or moneys remain available in the charter and rural schools facilities assistance fund created in subsection (c), the department may make grants under the program; provided,

however, that the department shall not make a grant that exceeds the amount of money in the fund.

(9) Costs incurred by the department in administering the program shall be funded from moneys in the charter and rural schools facilities assistance fund.

(c)

(1) There is created within the state treasury a fund to be administered by the department of education and to be known as the charter and rural schools facility assistance fund.

(2) Moneys in the fund shall be available to the department to make grants to public schools for facility assistance for capital projects through the competitive grant program under subsection (b).

(3) Amounts remaining in the fund at the end of each fiscal year shall not revert to the general fund, but shall be carried forward into the subsequent fiscal year and remain available for use by the department for the award of grants in subsequent years under subsection (b). Moneys in the fund shall be invested by the state treasurer pursuant to title 9, chapter 4, part 6, for the sole benefit of the fund. All earnings attributable to such investments shall be credited to the fund.

SECTION 2. This act shall not be construed to be an appropriation of funds, and no funds shall be obligated or expended pursuant to this act unless the funds are specifically appropriated by the general appropriations act.

SECTION 3. This act shall take effect July 1, 2016, the public welfare requiring it.