

Amendment No. 1 to SB0879

Gresham
Signature of Sponsor

AMEND Senate Bill No. 879*

House Bill No. 947

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

SECTION 1. Tennessee Code Annotated, Section 49-13-108(a)(5), is amended by deleting the subdivision in its entirety and substituting instead:

A charter school sponsor shall pay to the chartering authority an application fee of five thousand dollars (\$5,000) with each charter school application the sponsor files. A charter school filing a renewal application under § 49-13-121 shall pay to the chartering authority a fee of one thousand dollars (\$1,000) when the charter school files its renewal application.

SECTION 2. Tennessee Code Annotated, Title 49, Chapter 13, is amended by adding the following language as a new section:

(a) A chartering authority shall be entitled to receive an annual authorizer fee from a charter school that it authorizes in order to:

- (1) Defray the costs of authorizing the school; and
- (2) Support the continuing operations of the chartering authority to oversee and monitor the performance of its authorized charter schools.

(b)

(1) If the chartering authority is an LEA under § 49-13-108 and a charter school it authorized is in operation during the 2016–2017 school year, then the LEA shall receive from the charter school as an annual authorizing fee the lesser of:

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(A) One percent (1%) of the charter school's per student state and local funding as allocated under § 49-13-112(a); or

(B) Ten thousand dollars (\$10,000).

(2) Notwithstanding subdivision (b)(1), when an LEA approves a charter school's initial application to open a charter school in the 2017–2018 school year or a school year thereafter or the LEA approves a renewal application for a charter school in the 2017–2018 school year or a school year thereafter, then the LEA shall receive from the charter school as an annual authorizing fee the lesser of:

(A) Two and one-half percent (2.5%) of the charter school's per student state and local funding as allocated under § 49-13-112(a); or

(B) Twenty-five thousand dollars (\$25,000).

(3)

(A) Notwithstanding subdivisions (b)(1) and (b)(2), an LEA that did not authorize a charter school before July 1, 2015, but authorizes a charter school on or after July 1, 2015, shall receive from the charter school an authorizing 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).

(B) This subdivision (b)(3) shall apply to authorizing fees received by the LEA until four (4) years after the date its first authorized charter

school begins operation. After this four-year period, the LEA's authorizer fee shall be determined under subdivision (b)(2).

(C) The LEA shall set the authorizer fee under this subdivision (b)(3) based on its anticipated and subsequent costs of authorizing charter schools and overseeing the performance of its authorized schools.

(c) If the state board of education is the chartering authority upon appeal from denial of approval or renewal of a charter school application by an LEA that contains at least one (1) priority school on the current or last preceding priority school list, or if an LEA is the sponsor of a charter school under § 49-13-141, 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). The state board shall annually set its authorizer fee based on its anticipated and previous costs of authorizing charter schools and overseeing the performance of its authorized schools.

(d) By December 1 each year, each chartering authority shall provide to each public charter school it authorizes a budgeted accounting of the costs of fulfilling authorizing obligations during the prior fiscal year in accordance with this chapter.

(e) The comptroller of the treasury shall, every two (2) years, beginning in 2017, review the effectiveness of authorizer fees and shall provide information to the education committee of the senate and the education administration and planning committee of the house of representatives by December 31, 2017, and December 31 every two (2) years thereafter. The review shall be conducted so as to provide information that will enable the general assembly to maximize public benefit and strengthen the implementation of this chapter.

(f) The chartering authority shall use the authorizer fee exclusively for fulfilling authorizing obligations in accordance with this chapter.

SECTION 3. Tennessee Code Annotated, Section 49-13-112(a), is amended by designating the existing language as subdivision (1) and adding the following language as new subdivision (2):

(2) The department of education shall verify annually that the level of funding provided to a charter school by an LEA is in accordance with subdivision (a)(1).

SECTION 4. This act shall take effect July 1, 2015, the public welfare requiring it.