

HOUSE BILL 1204

By Mitchell

AN ACT to amend Tennessee Code Annotated, Title 12  
and Title 49, relative to directors of schools.

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

SECTION 1. Tennessee Code Annotated, Section 49-2-301, is amended by adding the following as a new subsection:

(e) It is a Class C misdemeanor for a director of schools to be directly interested in any contract entered into by the director's local board of education, except for the director's employment contract. "Directly interested" means any contract with the director personally or with any business in which the director is the sole proprietor, a partner, the person having the controlling interest, or is a beneficiary. "Controlling interest" includes the individual with the ownership or control of the largest number of outstanding shares owned by any single individual or corporation. A local board of education shall dismiss a director of schools who violates this subsection (e).

SECTION 2. Tennessee Code Annotated, Section 49-2-203(a)(14)(A), is amended by deleting the language:

The board may dismiss the director for cause as specified in this section or in chapter 5, part 5 of this title, as appropriate.

and substituting instead the language:

The board may dismiss the director for cause as specified in this section, in § 49-2-301, or in chapter 5, part 5 of this title, as appropriate.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.