

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 836 – HB 1083

March 11, 2019

**SUMMARY OF ORIGINAL BILL:** Prohibits a chartering authority from revoking or denying the renewal of a public charter school agreement, if the public charter school has not been in operation for more than four years and is identified as a priority school. Prohibits a chartering authority from closing a qualifying priority school at the end of the 2018-19 school year.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – Passage of the proposed legislation will continue funding for two charter schools allowing them to remain open, thus preventing a shift of Basic Education Program (BEP) funding that would otherwise occur from the two closing charter schools to the respective local education agencies. The precise amount of BEP funding is unknown.

**SUMMARY OF AMENDMENT (005543):** Deletes all language after the enacting clause. Authorizes a chartering authority to revoke a public charter school agreement if the public charter school receives identification as a priority school pursuant to Tenn. Code Ann. § 49-1-602 for 2017 and subsequent years; requires the revocation to take effect immediately following the close of the school year and requires the chartering authority to notify the charter school's governing body of the decision. Requires a public charter school to develop and implement a comprehensive improvement plan, if the public charter school is identified as a priority school and does not have its charter school agreement revoked. Requires a chartering authority to revoke a public charter school agreement if the public charter school is identified as a priority school for two consecutive cycles; establishes that a revocation of a charter school agreement is final. Grants a public charter school the right to a review by the Department of Education (DOE); and authorizes a chartering authority to revoke or deny a renewal of a school's charter agreement if the charter school fails to meet minimum performance requirements.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

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Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 49-13-122, there are currently two charter schools with less than four years of operation that are set to close at the end of 2018-19 school year.
- The proposed legislation would no longer require the two schools to close and any shift in BEP funding that would have otherwise resulted from the two school closures to their respective local education agencies will not occur. The precise amount of BEP funding is unknown.
- Total state and local BEP funding received by public charter schools will remain unchanged.
- No change in the BEP funding formula.
- No significant impact to state or local operations.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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