

# State of Tennessee

### **PUBLIC CHAPTER NO. 721**

### SENATE BILL NO. 2285

#### By Dickerson

#### Substituted for: House Bill No. 1989

#### By Dawn White, Mark White, Harry Brooks, Powell, Holt, Evans, Coley

AN ACT to amend Tennessee Code Annotated, Title 49, relative to public school charters.

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

SECTION 1. Tennessee Code Annotated, Section 49-13-122, is amended by deleting the section in its entirety and substituting instead the following language:

(a) A public charter school agreement shall be revoked or denied renewal by the final chartering authority if the school receives identification as a priority school, as defined by the state's accountability system pursuant to § 49-1-602 for 2015 or any year thereafter. Such revocation shall take effect immediately following the close of the school year after the school was identified as a priority school. Nothing in this subsection shall prohibit a chartering authority from revoking or denying a charter school agreement for failing to meet the minimum performance requirements set forth in the charter agreement. This subsection shall not apply to schools authorized by the achievement school district pursuant to § 49-1-614 or to schools converted to charter schools under § 49-13-106(b)(2) unless the school receives identification as a priority school as defined by the state's accountability system pursuant to § 49-1-602 for two (2) consecutive cycles beginning in 2015.

(b) A public charter school's identification as a priority school that is scheduled to close under subsection (a) shall be entitled to a review by the department of education to verify the accuracy of the data used to identify the school as a priority school.

(c) A public charter school agreement may be revoked or denied renewal by the final chartering authority if the chartering authority determines that the school did any of the following:

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

(2) Failed to meet generally accepted standards of fiscal management; or

(3) Performed any of the acts that are conditions for nonapproval of the charter school under § 49-13-108(c).

(d) If the chartering authority revokes or does not renew a charter agreement, the chartering authority shall state its reasons for the revocation or nonrenewal.

(e) A decision not to renew or to revoke a charter agreement may be appealed to the state board of education within ten (10) days of the decision, except for revocations or failures to renew based on the violations specified in subsection (a). State board appeals shall be handled on the same bases as provided in § 49-13-108. This subsection shall apply only to decisions not to renew or to revoke a charter agreement where the LEA is the chartering authority.

(f) Except in the case of fraud, misappropriation of funds, flagrant disregard of the charter agreement or similar misconduct, a decision to revoke a charter agreement shall become effective at the close of the school year.

(g) The chartering authority shall have a procedure in place for the closure of a charter school prior to the decision to deny renewal or revoke a charter agreement. Closure of a charter school by the authorizer shall be in accordance with the following:

(1) Within two (2) calendar weeks of a decision to close a charter school, the chartering authority shall meet with the school's governing body and leadership to establish a transition team composed of staff from the charter school, staff from the chartering authority, and anyone else the chartering authority deems necessary, who shall attend to the closure, including:

(A) The transfer of students;

(B) The release and transfer of student records to the chartering authority or the department;

(C) The release and transfer of personnel records to the chartering authority or the department;

(D) The submission of financial statements to the appropriate chartering authority or department;

(E) The disposition of school funds;

(F) The disposition of school assets; and

(G) A school audit pursuant to § 49-2-112.

(2) The chartering authority and transition team shall, within thirty (30) days, communicate to the families of students enrolled in the school all other public school options for which the student is eligible to enroll.

(3) The chartering authority and transition team shall communicate regularly and effectively with the families of students enrolled in the school, as well as with school staff and other stakeholders, to keep the families, staff and other stakeholders apprised of key information regarding the school's closing;

(4) The chartering authority and transition team shall ensure that current instruction of students enrolled in the school continues, pursuant to the charter agreement, for the remainder of the school year unless an immediate closure is deemed necessary by the chartering authority;

(5) The chartering authority and transition team shall ensure that all agencies, employees, insurers, contractors, creditors, debtors and management organizations are properly notified of the closing of the charter school; and

(6) The governing body of the charter school shall continue to meet as necessary to wind down school operations, manage school finances, allocate resources and facilitate the closure.

SECTION 2. This act shall take effect July 1, 2014, the public welfare requiring it.

# SENATE BILL NO. 2285

PASSED: March 31, 2014

MSEY RO RA SPEAKER OF THE SENATE

BETH HARWELL, SPEAKER HOUSE OF REPRESENTATIVES

APPROVED this 2014 day of

BILL HASLAM, GOVERNOR