

PUBLIC CHAPTER NO. 369**HOUSE BILL NO. 2293**

By Representatives Winningham, Odom, Hackworth, Towns, Brown, Fincher, Curt Cobb, Coleman, Pitts, Vaughn, Dunn, Harry Brooks, Dean, Curtis Johnson, McCormick, Shaw, Bone, Favors, Briley, Moore, Bibb, Rinks, Sontany, Bass, Eldridge, Gilmore, Pruitt, Williams, Roach, McDaniel, Ford, Hood

Substituted for: Senate Bill No. 2177

By Senators Kyle, Woodson, Watson, Norris

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 3, relative to education.

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

SECTION 1. Tennessee Code Annotated, Section 49-3-354, is amended by deleting the second sentence in subsection (b).

SECTION 2. Tennessee Code Annotated, Section 49-3-356, is amended by deleting the language and punctuation “, sixty-five percent (65%) in the instructional positions component” in the first sentence

SECTION 3. Tennessee Code Annotated, Title 49, Chapter 3, Part 3, is amended by adding the following language as a new, appropriately designated section:

§49-3-3__.

(a) Notwithstanding the provisions of §49-3-351, §49-1-302 or any other law or rule to the contrary, effective with fiscal year 2007-2008, the Tennessee BEP shall be calculated using the following criteria:

(1) BEP appropriations to LEAs for the 2006-2007 school year plus appropriations to LEAs generated for annual BEP component costs adjustments based on the 2006-2007 school year shall constitute a base amount of funding;

(2) The state shall provide seventy five percent (75%) of the funds generated for instructional positions within the classroom component;

(3) The dollar value of the BEP instructional positions component shall be thirty-eight thousand dollars (\$38,000) for fiscal year 2007-2008, and shall be adjusted in subsequent fiscal years in accordance with the provisions of the general appropriations act;

(4) The “cost differential factor” (CDF) shall be eliminated from the formula;

(5) The formula shall provide one hundred percent (100%) funding for at-risk students in grades K-12. “At-risk student” means a student who is eligible for free or reduced price lunch pursuant to 42 U.S.C. §§ 1751-1769;

(6) The formula shall provide funding for English language learner students at a ratio of one to twenty (1:20) and one to two hundred (1:200) for teachers and translators respectively;

(7) The formula shall recognize the ability of local jurisdictions to raise local revenues by measuring the ability to generate local revenues from property tax and local option sales tax. This calculation shall be based on applying the statewide average property tax rate for education and the state wide average local option sales tax rate for education to the respective tax bases of each local jurisdiction. No reduction shall be made in any calculation of a local jurisdiction’s ability to raise local revenues from property taxes for agreements entered into by such local jurisdiction that result in payments in lieu of taxes being made to the local jurisdiction;

(8) Each LEA shall receive no less than twenty-five percent (25%) state share in the nonclassroom components;

(9) No LEA’s measurement of ability to raise local revenue shall be adjusted more than forty percent (40%) within the BEP formula in any single year; and

(10) The formula shall provide fifty percent (50%) funding for medical insurance premiums for instructional positions.

(b) Notwithstanding the provisions of §49-3-351, §49-1-302 and any other law to the contrary, the changes in components or factors of the BEP implemented under the provisions of this act shall be phased in, in accordance with funding as made available each fiscal year through the general appropriations act.

SECTION 4. This act shall take effect July 1, 2007, the public welfare requiring it.

PASSED: May 31, 2007



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES



RON RAMSEY
SPEAKER OF THE SENATE

APPROVED this 7th day of June 2007



PHIL BREDEESEN, GOVERNOR