

HOUSE BILL 864

By Lollar

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 2, Part 6, relative to school support organizations.

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

SECTION 1. Tennessee Code Annotated, Section 49-2-606, is amended by deleting the section in its entirety and by substituting instead the following:

(a) Any individual who collects or receives any student activity or other internal school funds shall turn over to the properly designated school official or employee all student activity or other internal school funds. The funds shall be considered student activity or other internal school funds for the purpose of § 49-2-110. That a member of a school support organization or a person claiming to be a member of a school support organization collected the money is immaterial to the determination as to its status as student activity or other internal school funds.

(b) A local board of education may grant the principal of a school the authority to enter into an agreement with a school support organization to operate and collect money for a concession stand or parking at a related school academic, arts, athletic, or social event held on or off school property where any money it collects or any portion designated by the agreement shall be considered as school support group funds and not as student activity funds; provided, that:

(1) The board has adopted a policy concerning school support organizations pursuant to § 49-2-604(b); and

(2) The school support organization provides the school with the relevant collection documentation that would have been required pursuant to the manual produced under § 49-2-110 for student activity funds.

(c) Nothing in this section diminishes the authority of a local board of education to enter into an agreement with a civic organization for the operation of concessions or parking at school sponsored events. The civic organization shall not be subject to this part.

(d) A local board of education may grant the principal of a school the authority to enter into an agreement with a school support organization to operate a bookstore located on school grounds that makes direct sales of items to students where any money the school support organization collects or any portion designated by the agreement shall be considered as school support group funds and not as student activity funds; provided, that:

(1) The board has adopted a policy concerning school support organizations pursuant to § 49-2-604(b);

(2) One hundred percent (100%) of the profits of the operation of the bookstore are used for support of the school; and

(3) The school support organization provides the school with the relevant collection documentation that would have been required pursuant to the manual produced under § 49-2-110 for student activity funds.

(e) A principal may allow funds raised by fundraisers conducted by a school support organization outside the school day and involving students to be collected during the school day by the school support organization. The funds shall be school support organization funds; provided, that school employees are not involved in the accounting of the funds and the funds are turned in using sealed envelopes.

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring it.