

HOUSE BILL 2173

By DeBerry L

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

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

SECTION 1. 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) As used in this section, unless the context otherwise requires:

(1) "Classroom expenditure" means any expenditure by an LEA of funds, both state and local, allocated and appropriated for the BEP classroom and instructional components and any other funds, from whatever source, expended for purposes or items listed in the BEP classroom and instructional components; and

(2) "Total operating expenditures" means all operating expenditures by an LEA during a fiscal year, including expenditures from federal, state and local funds and from any other funds received by a local school system, including, but not limited to student activity fees and gifts. "Total operating expenditures" does not include capital outlay expenditures, debt or bond payments, interest on debt or bonds, facility leases or rental payments.

(b) Beginning with fiscal year 2009-2010 and for each fiscal year thereafter, each LEA shall report annually to the department of education the amount of classroom expenditures made by the LEA in a fiscal year and the percentage of the total operating expenditures that such amount represents. The

amount of classroom expenditures and the resulting percentages shall be reported both by district and by each school. The report shall be filed with the department by September 1 following the close of a fiscal year.

(c) Notwithstanding any provision of this part to the contrary, beginning with fiscal year 2013-2014, each LEA shall spend a minimum of seventy percent (70%) of its total operating expenditures on classroom expenditures. In fiscal year 2015-2016 such percentage shall increase to eighty percent (80%) and by fiscal year 2017-2018 and for fiscal years thereafter such percentage shall be ninety percent (90%). Such percentage shall apply to expenditures made on a district-wide basis and on a per school basis.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.