

HOUSE BILL 14

By Cepicky

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

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

SECTION 1. This act is known and may be cited as the "School Stabilization Act."

SECTION 2. Tennessee Code Annotated, Section 49-3-351(d), is amended by designating the existing language as subdivision (1) and adding the following as a new subdivision (2):

(A)

(i) Notwithstanding subdivision (d)(1), for the 2021-2022 school year, the BEP of each LEA must be calculated on the basis of each LEA's 2019-2020 ADM, or FTEADM, or identified and served special education students (I&S), unless the LEA's 2020-2021 ADM, FTEADM, and I&S, taken as a whole, exceeds the 2019-2020 ADM, FTEADM, and I&S, taken as a whole. If an LEA's 2020-2021 ADM, FTEADM, and I&S, taken as a whole, exceeds the LEA's 2019-2020 ADM, FTEADM, and I&S, taken as a whole, then that LEA's allocation of state funds must be calculated on the basis of the 2020-2021 ADM, FTEADM, and I&S.

(ii) The increased amount calculated pursuant to this subdivision (d)(2) must be distributed to the extent funds are appropriated for that specific purpose. If the funds appropriated for that purpose are insufficient to provide for the LEA's increased allocations, then the commissioner shall apply a pro rata reduction to the increased amount each LEA is otherwise eligible to receive.

(iii) An estimated fifty percent (50%) of the appropriated amount must be distributed to each eligible LEA by February 1, with the remainder, subject to any adjustment of numbers by the department of education that may affect the remaining amount, to be distributed by the following June 30. In calculating the allocations under the BEP formula, the commissioner, with the approval of the state board of education and the commissioner of finance and administration, shall establish definitions of ADM, FTEADM, and I&S, which will be used to determine each LEA's BEP funding. It is the legislative intent that the definitions approximate as closely as possible full year ADM, FTEADM, and I&S.

(B) This subdivision (d)(2) is repealed on January 1, 2023.

SECTION 3. Tennessee Code Annotated, Section 49-3-354(f), is amended by designating the existing language as subdivision (1) and adding the following as a new subdivision (2):

(A) Notwithstanding subdivision (f)(1), if state funds available for distribution must be prorated under subsection (e) for the 2021-2022 school year, then the BEP formula shall be calculated for each LEA on the basis of the 2019-2020 ADM, or FTEADM, or identified and served special education students (I&S), unless the LEA's 2020-2021 ADM, FTEADM, and I&S, taken as a whole, exceeds the 2019-2020 ADM, FTEADM, and I&S, taken as a whole. If an LEA's 2020-2021 ADM, FTEADM, and I&S, taken as a whole, exceeds the LEA's 2019-2020 ADM, FTEADM, and I&S, taken as a whole, then that LEA's allocation of state funds must be calculated on the basis of the 2020-2021 ADM, FTEADM, and I&S. The increased amount calculated pursuant to this subdivision (f)(2) must be distributed to the extent funds are appropriated for that specific purpose. If the funds appropriated for that purpose are insufficient to provide for the

LEA's increased allocations, then the commissioner shall apply a pro rata reduction to the increased amount each LEA is otherwise eligible to receive.

(B) This subdivision (f)(2) is repealed on January 1, 2023.

SECTION 4. This act takes effect upon becoming a law, the public welfare requiring it.