

Amend HB 1146 by amending SECTION 1 to read as follows:

SECTION 1. Section 12.1163, Education Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) To the extent consistent with this section [~~Subsection (b)~~], the commissioner may audit the records of:

- (1) an open-enrollment charter school;
- (2) a charter holder; and
- (3) a management company.

(b) An audit under Subsection (a) must be limited to matters directly related to the management or operation of an open-enrollment charter school, including any financial and administrative records.

(c) Unless the commissioner has specific cause to conduct an additional audit, the commissioner may not conduct more than one on-site audit under Section 12.1163 during any fiscal year, including any financial and administrative records. For purposes of this subsection, an audit of a charter holder or management company associated with an open-enrollment charter school is not considered an audit of the school.