BILL ANALYSIS

Senate Research Center

H.B. 1146 By: Dutton (Janek) Education 5/20/2003 Engrossed

DIGEST AND PURPOSE

Under current law, there is no limit to the number of audits a charter school can undergo in a single fiscal year. H.B. 1146 prohibits the commissioner of education from conducting more than one financial or administrative audit of a charter school in a fiscal year, unless there is a specific cause to do so.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

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

- (a) Authorizes the commissioner of education (commissioner), to the extent consistent with this section, rather than with Subsection (b), to audit certain records.
- (c) Prohibits the commissioner, unless the commissioner has specific cause to conduct an additional audit, from conducting more than one on-site financial records audit and one on-site administrative records audit of an open-enrollment charter school during any fiscal year. Provides that 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.

SECTION 2. Effective date: September 1, 2003.