

By: Turner

H.B. No. 551

A BILL TO BE ENTITLED

AN ACT

relating to open-enrollment charter schools.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 12.1054, Education Code, is amended by adding Subsection (c) to read as follows:

(c) Not later than September 15 of each year, an open-enrollment charter school shall provide to the agency a report that includes the name and a brief biography, including any substantial business interests, of each individual serving:

(1) on the governing body of the school's charter holder;

(2) on the governing body of the school; or

(3) as an officer of the school.

SECTION 2. Section 12.110(b), Education Code, is amended to read as follows:

(b) The application form must provide for including the information required under Section 12.111 to be contained in a charter and, in connection with the information required under Section 12.111(12), the application form must provide for specifically describing the manner in which an annual internal and external audit of the use of state funds received for the school are to be conducted. The application form also must provide for including:

(1) a detailed plan concerning the manner in which

1 state funds received for the school are to be spent;

2 (2) the name and business address of the person who is
3 to serve as the school's external auditor;

4 (3) the name and business address of each person who
5 will have responsibility for the school's financial operation; and

6 (4) a description of the system that will be used in
7 making purchases for the school.

8 SECTION 3. Subchapter D, Chapter 12, Education Code, is
9 amended by adding Section 12.131 to read as follows:

10 Sec. 12.131. MAXIMUM SALARY. The agency by rule shall adopt
11 a maximum salary for an officer of an open-enrollment charter
12 school. The maximum salary must be:

13 (1) reasonable; and

14 (2) similar to the salary earned by a person in a
15 similar position in a noncharter public school.

16 SECTION 4. Section 12.110(b), Education Code, as amended by
17 this Act, applies only to an application for an open-enrollment
18 charter school submitted on or after September 1, 2003.

19 SECTION 5. (a) Not later than December 31, 2003, the Texas
20 Education Agency shall establish a maximum salary for officers of
21 open-enrollment charter schools, as required by Section 12.131,
22 Education Code, as added by this Act.

23 (b) Section 12.131, Education Code, as added by this Act,
24 applies only to a salary established under a contract executed on or
25 after January 1, 2004. A salary established under a contract
26 executed before January 1, 2004, is governed by the law in effect on
27 the date the contract was executed, and the former law is continued

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1 in effect for that purpose.

2 SECTION 6. This Act takes effect September 1, 2003.