

By: Dutton

H.B. No. 1146

A BILL TO BE ENTITLED

AN ACT

relating to a limitation on audits of an open-enrollment charter school.

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

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.

(c) Unless the commissioner has specific cause to conduct an additional audit, the commissioner may not conduct more than one financial records audit and one administrative records audit of an open-enrollment charter school during any fiscal year. 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. This Act takes effect September 1, 2003.