

AN ACT

relating to the use of municipal funds for the acquisition of land or acquisition, construction, expansion, or renovation of facilities for an open-enrollment charter school.

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

SECTION 1. Section 12.101(a), Education Code, is amended to read as follows:

(a) In accordance with this subchapter, the State Board of Education may grant a charter on the application of an eligible entity for an open-enrollment charter school to operate in a facility of a commercial or nonprofit entity, an eligible entity, or a school district, including a home-rule school district. In this subsection, "eligible entity" means:

(1) an institution of higher education as defined under Section 61.003;

(2) a private or independent institution of higher education as defined under Section 61.003;

(3) an organization that is exempt from taxation under Section 501(c)(3), Internal Revenue Code of 1986 (26 U.S.C. Section 501(c)(3)); or

(4) a governmental entity.

SECTION 2. Subchapter D, Chapter 12, Education Code, is amended by adding Section 12.131 to read as follows:

Sec. 12.131. USE OF MUNICIPAL FUNDS FOR CHARTER SCHOOL LAND

1 OR FACILITIES. A municipality to which a charter is granted under
2 this subchapter may borrow funds, issue obligations, or otherwise
3 spend its funds to acquire land or acquire, construct, expand, or
4 renovate school buildings or facilities and related improvements
5 for its open-enrollment charter school within the city limits of
6 the municipality in the same manner the municipality is authorized
7 to borrow funds, issue obligations, or otherwise spend its funds in
8 connection with any other public works project.

9 SECTION 3. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect September 1, 2003.

President of the Senate

Speaker of the House

I certify that H.B. No. 1564 was passed by the House on April 10, 2003, by the following vote: Yeas 142, Nays 0, 3 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1564 on May 16, 2003, by the following vote: Yeas 144, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1564 was passed by the Senate, with amendments, on May 8, 2003, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor