

By: Truitt

H.B. No. 1564

A BILL TO BE ENTITLED

1 AN ACT

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

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

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

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

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

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

18 (3) an organization that is exempt from taxation under  
19 Section 501(c)(3), Internal Revenue Code of 1986 (26 U.S.C. Section  
20 501(c)(3)); or

21 (4) a governmental entity.

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

24 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 or related improvements for  
5 an open-enrollment charter school.

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