

Amend the Reyna amendment to **CSHB 2** (page 217 of the amendment packet) by striking the text on page 1 of the amendment, lines 1-13, and substituting the following:

Amend **CSHB 2** as follows:

(1) On page 74, between lines 10 and 11, insert the following new section, appropriately numbered, and renumber the subsequent sections of the bill accordingly:

Sec. 11.170. CONFLICTS OF INTEREST. (a) Except as provided by Subsection (b), a member of the board of trustees of a school district may not receive any financial benefit for personal or professional services performed by the member or by a business entity in which the member has a substantial interest, as determined under Chapter 171, Local Government Code, under a contract or other agreement with the district.

(b) Subsection (a) does not prohibit a contract or other agreement between a school district and a business entity that employs a member of the district's board of trustees or a person related to a member of the board of trustees if:

(1) the member does not otherwise have a substantial interest in the business entity; and

(2) the member or the person related to the member does not participate in an action taken by the business entity to obtain or perform under the contract or agreement.

(c) This section controls to the extent of any conflict between this section and Chapter 171, Local Government Code.

(2) In Article 2 of the bill, insert the following appropriately lettered part and reletter the subsequent parts accordingly:

PART ____ . CHARTER SCHOOLS

SECTION 2___. Section 12.1054, Education Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) Section 11.170 applies to a member of the governing body of a charter holder or a member of the governing body of an open-enrollment charter school.