

Amend **CSSB 234** (committee printing) by striking all below the enacting clause and substituting the following:

SECTION 1. Subchapter A, Chapter 44, Education Code, is amended by adding Section 44.012 to read as follows:

Sec. 44.012. REPORT OF INCOME-PRODUCING CONTRACTS AND PROGRAMS. (a) In this section, "income-producing contract or program" means:

(1) a contract under which a school district is entitled to or expects to receive income, including rentals, royalties, or a percentage of sales revenue; or

(2) a program operated by a school district or another entity under which the district is entitled to or expects to receive income.

(b) As provided by this section, a school district shall:

(1) publish a report of income-producing contracts and programs in a newspaper of general circulation in:

(A) a county in which the district is located; or

(B) the county seat of a county adjacent to a county in which the district is located, if a newspaper of general circulation is not published in a county in which the district is located; or

(2) post a report of income-producing contracts and programs on the district's Internet website.

(c) Except as provided by Subsection (d):

(1) for each income-producing contract a school district enters into or under which the district receives income during the reporting period covered by the publication or posting, the district's report must include:

(A) the full name and address of each party to the contract other than the district;

(B) a description of the type of contract involved;

(C) the date the contract was entered into;

(D) the duration of the contract;

(E) a statement of the amount of income the district expects to receive under the contract over the term of the contract; and

(F) a statement of the amount of income the district received under the contract during the reporting period; and

(2) for each income-producing program under which the district receives income during the reporting period covered by the publication or posting, the district's report must include:

(A) the name of the program;

(B) a description of the program;

(C) if the program is operated by an entity other than the district, the name of each entity from whom the district received income under the program during the reporting period; and

(D) a statement of the total amount of income the district received under the program during the reporting period.

(d) A school district is not required to report under this section:

(1) a contract or program from which the district expects to receive income of \$5,000 or less over:

(A) the term of the contract, in the case of a contract; or

(B) the reporting period, in the case of a program;

(2) a contract between the district and another school district or other governmental entity; or

(3) a fund-raising contract with a nonprofit organization or student group.

(e) A school district shall publish or shall post on the district's Internet website a report of income-producing contracts and programs two times each year. For a district whose fiscal year begins July 1, the first report shall be published or posted not later than August 15 and cover the period from the preceding January 1 through June 30, and the second report shall be published or posted not later than February 15 and cover the period from the preceding July 1 through December 31. For a district whose fiscal year begins September 1, the first report shall be published or posted not later than October 15 and cover the period from the preceding March 1 through August 31, and the second report shall be published or posted not later than April 15 and cover the period

from the preceding September 1 through the last day of February.

(f) Beginning on the second anniversary of the last date a school district receives income under an income-producing contract or program, if the district does not expect to receive additional income under the contract or program, the district may remove information relating to the contract or program from the district's Internet website.

SECTION 2. A school district's first report of income-producing contracts and programs under Section 44.012, Education Code, as added by this Act, must be published or must be posted on the district's Internet website not later than October 15, 2007, or February 15, 2008, depending on the date the district's fiscal year begins.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2007.