

By: Gervin-Hawkins

H.B. No. 3518

A BILL TO BE ENTITLED

AN ACT

relating to open-enrollment charter school facilities.

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

SECTION 1. Section 12.106, Education Code, is amended by adding Subsection (d) to read as follows:

(d) In addition to other amounts provided by this section, a charter holder is entitled to receive, for the open-enrollment charter school, funding per student in average daily attendance in an amount equal to the guaranteed level of state and local funds per student per cent of tax effort under Section 46.032(a) multiplied by the state average interest and sinking fund tax rate imposed by school districts for the current year.

SECTION 2. Subchapter D, Chapter 12, Education Code, is amended by adding Section 12.1062 to read as follows:

Sec. 12.1062. FINANCIAL ASSISTANCE FOR FACILITIES. (a) Using funds appropriated or otherwise available for the purpose, the commissioner shall develop and implement a program under which the state provides financial assistance to a charter holder seeking to construct or acquire adequate facilities for student instruction.

(b) The program may include:

(1) the provision of forgivable loans, including loans for a period of not more than 25 years structured so that each year that the charter holder successfully operates the open-enrollment

1 charter school, the charter holder is released from the obligation
2 to pay that year's portion of the loan;

3 (2) a loan guarantee process for a charter holder that
4 has successfully operated an open-enrollment charter school for at
5 least five years; and

6 (3) the provision of assistance to charter holders in
7 obtaining loans for facilities directly from private lenders.

8 (c) The commissioner shall adopt rules necessary to
9 implement this section.

10 SECTION 3. Section 12.128, Education Code, is amended by
11 amending Subsection (c) and adding Subsection (c-1) to read as
12 follows:

13 (c) Except as provided by Subsection (c-1), the ~~[The]~~
14 commissioner shall:

15 (1) take possession and assume control of the property
16 described by Subsection (a) of an open-enrollment charter school
17 that ceases to operate; and

18 (2) supervise the disposition of the property in
19 accordance with law.

20 (c-1) A charter holder may retain property described by
21 Subsection (a) after the open-enrollment charter school ceases to
22 operate if the charter holder operated the school for at least four
23 years before it ceased to operate. A charter holder that retains
24 property under this subsection must use the property for a
25 charitable purpose.

26 SECTION 4. This Act takes effect September 1, 2017.