A BILL TO BE ENTITLED
AN ACT
relating to a school district contract to partner with an open-enrollment charter school to operate a district campus and share education resources.

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

SECTION 1. Subchapter D, Chapter 11, Education Code, is amended by adding Section 11.174 to read as follows:

Sec. 11.174. CONTRACT WITH OPEN-ENROLLMENT CHARTER SCHOOL REGARDING OPERATION OF DISTRICT CAMPUS. (a) The board of trustees of a school district may contract with the governing body of an open-enrollment charter school for the district to partner with the charter school to operate a district campus and share teachers, facilities, or other education resources on that campus.

(b) The board of trustees of a school district may not enter into a contract as provided by Subsection (a) if:

(1) the charter of the open-enrollment charter school has been previously revoked; or

(2) the charter school has received an unacceptable performance rating under Subchapter C, Chapter 39, for each of the three school years preceding the school year of the proposed operation of the district campus as described by Subsection (a).

(c) Except as provided by Subsection (d), the commissioner shall continue to evaluate and assign performance ratings under Section 39.054 to a school district, district campus, and
open-enrollment charter school subject to a contract described by Subsection (a).

(d) This subsection applies only to a campus subject to a contract described by Subsection (a) that received a D or F for a performance rating under Subchapter C, Chapter 39, for the school year before the school district and the open-enrollment charter school began operation of the district campus. Notwithstanding any other law, the commissioner shall assign a campus subject to this subsection a performance rating of "undesignated" under Section 39.054 for the first school year of the operation of the campus by the district and the charter school. The commissioner may not impose a sanction or take action against the campus under Subchapter E, Chapter 39, for failure to satisfy academic performance standards during that first school year.

(e) The commissioner may adopt rules as necessary to administer this section.

SECTION 2. Subchapter A, Chapter 42, Education Code, is amended by adding Section 42.010 to read as follows:

Sec. 42.010. SCHOOL DISTRICT ENTITLEMENT FOR CERTAIN STUDENTS. (a) This section applies only to a school district and an open-enrollment charter school that enter into a contract to operate a district campus and share teachers, facilities, or other education resources as provided by Section 11.174.

(b) Notwithstanding any other provision of this chapter, a school district and open-enrollment charter school to which this section applies collectively are entitled to receive the greater of the following amount for each student in weighted average daily
(1) the amount to which the district would be entitled under this chapter; or

(2) the amount described by Section 12.106.

(c) The amount provided under Subsection (b) must be allocated in accordance with the contract described by Subsection (a).

(d) The commissioner shall adopt rules as necessary to administer this section.

SECTION 3. This Act applies beginning with the 2017-2018 school year.

SECTION 4. 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, 2017.