87R3569 GCB-F

By:  Gervin-Hawkins H.B. No. 893

A BILL TO BE ENTITLED

AN ACT

relating to a financial assistance program for open-enrollment charter school facilities.

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

SECTION 1.  Subchapter D, Chapter 12, Education Code, is amended by adding Section 12.1063 to read as follows:

Sec. 12.1063.  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 charter school, the charter holder is released from the obligation to pay that year's portion of the loan;

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

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

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

SECTION 2.  This Act takes effect September 1, 2021.