## A BILL TO BE ENTITLED

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                                    AN ACT
relating to funding for small and mid-sized open-enrollment charter
schools.
    BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
    SECTION 1. Section 12.106, Education Code, is amended by
amending Subsection (a-2) and adding Subsection (a-5) to read as
follows:
    (a-2) Subject to Subsection (a-5) and in [In] addition to
    the funding provided by Subsection (a), a charter holder is
    entitled to receive for the open-enrollment charter school an
    allotment per student in average daily attendance in an amount
    equal to the lesser of:
            (1) the difference between:
                    (A) [(1)] the product of:
                            (i) [(A)] the quotient of:
                            (a) [(i)] the total amount of funding
provided to eligible school districts under Section 48.101(b) or
(c); and
                    (b) [(ii)] the total number of
students in average daily attendance in school districts that
receive an allotment under Section 48.101(b) or (c); and
                            (ii) [(B)] the sum of one and the quotient
of:
                    (a) [(i)] the total number of
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            H.B. No. 2744
    students in average daily attendance in school districts that
    receive an allotment under Section 48.101(b) or (c); and
                            (b) [fii)] the total number of
    students in average daily attendance in school districts statewide;
    and
                    (B) [(2)] $125; or
    (2) the average allotment per student in average daily
    attendance under Section 48.101 for the school districts in the
    county in which the student resides.
    (a-5) Notwithstanding Subsection (a-2), the amount of the
    allotment per student in average daily attendance to which a
    charter holder is entitled to receive for an open-enrollment
    charter school under that subsection is an amount equal to:
    (1) half of the amount computed under that subsection
    if the school has at least 1,601 but not more than 5,000 students in
    average daily attendance; and
    (2) zero if the school has more than 5,000 students in
    average daily attendance.
    SECTION 2. This Act takes effect September 1, 2021.
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