

By: Capriglione

H.B. No. 3971

A BILL TO BE ENTITLED

AN ACT

relating to a financial report filed by an open-enrollment charter school.

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

SECTION 1. Section 12.1168(b), Education Code, is amended to read as follows:

(b) A financial report filed under Section 44.008 by an open-enrollment charter school must separately disclose:

(1) each ~~[all]~~ financial transaction ~~[transactions]~~ between the open-enrollment charter school and any related party, separately stating the:

(A) relationship;

(B) address;

(C) principal;

(D) [7] interest;

(E) annual and total contract payments including a description of goods or services; [7] and

(F) annual and total lease payments including a description of the property; [and]

(2) the total compensation and benefits provided by the school and any related party for each member of the governing body and each officer and administrator of the school and the related party;

(3) the name and address of any management company;

1 and

2 (4) fees paid during each of the preceding three years
3 to a management company or to any related party for each good,
4 service, or item, including:

5 (A) management services;

6 (B) branding or licensing;

7 (C) advertising;

8 (D) student recruitment;

9 (E) instructional costs including curriculum and
10 professional development;

11 (F) facility development;

12 (G) student uniforms; and

13 (H) teacher salaries.

14 SECTION 2. Section 44.008(f), Education Code, is amended to
15 read as follows:

16 (f) An open-enrollment charter school shall provide an
17 accounting of each parcel of the school's owned or leased real
18 property, including identifying the:

19 (1) address;

20 (2) owner;

21 (3) purpose and use of each parcel;

22 (4) name of each campus listed; and

23 (5) annual and total amount of local, state, and
24 federal funds used to purchase, lease, or improve each parcel of
25 property.

26 SECTION 3. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2023.