

By: Paxton
Hinojosa of Nueces

S.B. No. 1750

A BILL TO BE ENTITLED

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

5 SECTION 1. Section 12.106, Education Code, is amended by
6 amending Subsections (d) and (f) and adding Subsections (e-1) and
7 (f-1) to read as follows:

15 (1) the state average interest and sinking fund tax
16 rate imposed by school districts for the current year multiplied by
17 the guaranteed level of state and local funds per student per cent
18 of tax effort under Section 46.032(a); or

24 (e-1) A charter holder is entitled to receive funding under

1 Subsection (d) for an open-enrollment charter school only if the
2 governing body of the school annually certifies in writing to the
3 agency that none of the following derives any financial benefit
4 from a real estate transaction with the school:

5 (1) an administrator, officer, or employee of the
6 school;

7 (2) a member of the governing body of the school or its
8 charter holder; or

9 (3) a person related within the third degree by
10 consanguinity or second degree by affinity, as determined under
11 Chapter 573, Government Code, to a person described by Subdivision
12 (1) or (2).

13 (f) Funds received by a charter holder under Subsection (d)
14 may only be used:

15 (1) to lease an instructional facility;

16 (2) to pay property taxes imposed on an instructional
17 facility;

18 (3) to pay debt service on bonds issued to finance an
19 instructional facility; [or]

20 (4) for any other purpose related to the purchase,
21 lease, sale, acquisition, or maintenance of an instructional
22 facility;

23 (5) to purchase or pay debt service on bonds issued to
24 finance the purchase of school buses;

25 (6) to purchase or pay debt service on bonds issued to
26 finance the acquisition or update of technology equipment used to
27 support instruction;

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1 (7) to pay debt service on bonds issued to improve
2 school safety and security in accordance with the requirements of
3 Section 37.351; or

4 (8) to pay debt service on bonds issued to finance the
5 construction, acquisition, or equipment of performing arts
6 facilities or athletic facilities, other than a stadium with
7 seating capacity for more than 1,000 spectators.

8 (f-1) The governing body of an open-enrollment charter
9 school must comply with Chapter 551, Government Code, when
10 considering the issuance of bonds.

11 SECTION 2. This Act takes effect September 1, 2025.