

By: Paxton  
Hinojosa of Nueces

S.B. No. 1750

A BILL TO BE ENTITLED

AN ACT

relating to instructional facilities funding for certain  
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 Subsections (d) and (f) and adding Subsections (e-1) and  
(f-1) to read as follows:

(d) Subject to Subsections ~~[Subsection]~~ (e) and (e-1), in  
addition to other amounts provided by this section, a charter  
holder is entitled to receive, for the open-enrollment charter  
school, an annual allotment ~~[funding]~~ per student in average daily  
attendance ~~[in an amount]~~ equal to ~~[the guaranteed level of state  
and local funds per student per cent of tax effort under Section  
46.032(a) multiplied by]~~ the lesser of:

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

(2) the maximum amount of the basic allotment provided  
under Section 48.051 for the applicable school year multiplied by  
0.06 ~~[a rate that would result in a total amount to which charter  
schools are entitled under this subsection for the current year  
equal to \$60 million].~~

(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;

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.