

By: Paxton

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(d), Education Code, is amended to read as follows:

(d) Subject to Subsections [~~Subsection~~] (e) and (e-2), 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 0.15 [~~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~~].

SECTION 2. Section 12.106, Education Code, is amended by adding Subsection (e-2) to read as follows:

1 (e-2) A charter holder is entitled to receive funding under
2 Subsection (d) for an open-enrollment charter school only if the
3 governing body of the school annually certifies in writing to the
4 agency that no administrator, officer, or employee of the school
5 and no member of the governing body of the school or its charter
6 holder derives any personal financial benefit from a real estate
7 transaction with the school.

8 SECTION 3. Section 12.106(f), Education Code, is amended to
9 read as follows:

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

12 (1) to lease an instructional facility;

13 (2) to pay property taxes imposed on an instructional
14 facility;

15 (3) to pay debt service on bonds issued to finance an
16 instructional facility; ~~or~~

17 (4) for any other purpose related to the purchase,
18 lease, sale, acquisition, or maintenance of an instructional
19 facility;

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

22 (6) to purchase or pay debt service on bonds issued to
23 finance the acquisition or update of technology equipment used to
24 support instruction;

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

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

5 SECTION 4. This Act takes effect September 1, 2025.