

By: Creighton

S.B. No. 2927

A BILL TO BE ENTITLED

AN ACT

relating to a contract regarding the operation of a school district campus.

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

SECTION 1. Section 11.174, Education Code, is amended by amending Subsection (h) and adding Subsections (o) and (p) to read as follows:

(h) A ~~[Subject to Subsection (i), a]~~ contract entered into by the board of trustees of a school district and the governing body of an open-enrollment charter school or entity for the operation of a district campus as provided by Subsection (a) must:

(1) be executed only after the district engages in a vetting process and ensures accurate projections of student enrollment, average daily attendance, and associated costs to minimize financial discrepancies;

(2) clearly state any shared service fees and include a formula for any adjustment based on actual use or changes in the student population;

(3) require that all federal money received by the district for a student at the campus under the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.), and any other supplementary funding identified in the contract is passed directly from the district to

1 the school or entity, without any deduction that is not
2 specifically authorized in the contract; and

3 (4) subject to Subsection (i), include a provision
4 addressing student eligibility for enrollment.

5 (o) For each school year for which the board of trustees of a
6 school district enters into a contract to partner with an
7 open-enrollment charter school or entity to operate a district
8 campus under Subsection (a), the district and school or entity
9 shall conduct a financial review of the partnership and reconcile
10 all payments for the operation of the partnership at the end of the
11 school year.

12 (p) The agency may:

13 (1) provide guidance to school districts,
14 open-enrollment charter schools, and entities described by
15 Subsection (a)(2) on contracts to partner to operate a district
16 campus under Subsection (a); and

17 (2) audit a partnership to operate a district campus
18 under Subsection (a).

19 SECTION 2. Section 11.174(h), Education Code, as amended by
20 this Act, and Section 11.174(o), Education Code, as added by this
21 Act, apply only to a contract entered into or renewed on or after
22 the effective date of this Act. A contract entered into or renewed
23 before the effective date of this Act is governed by the law in
24 effect on the date the contract was entered into or renewed, and the
25 former law is continued in effect for that purpose.

26 SECTION 3. This Act takes effect September 1, 2025.