

1-1 By: Creighton S.B. No. 2927
1-2 (In the Senate - Filed March 14, 2025; April 7, 2025, read
1-3 first time and referred to Committee on Education K-16;
1-4 April 22, 2025, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 11, Nays 0; April 22, 2025,
1-6 sent to printer.)

1-7	COMMITTEE VOTE				
1-8		Yea	Nay	Absent	PNV
1-9	Creighton	X			
1-10	Campbell	X			
1-11	Bettencourt	X			
1-12	Hagenbuch	X			
1-13	Hinojosa of Nueces	X			
1-14	King	X			
1-15	Menéndez	X			
1-16	Middleton	X			
1-17	Parker	X			
1-18	Paxton	X			
1-19	West	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 2927 By: Bettencourt

1-21 A BILL TO BE ENTITLED
1-22 AN ACT

1-23 relating to a contract regarding the operation of a school district
1-24 campus.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Section 11.174, Education Code, is amended by
1-27 amending Subsection (h) and adding Subsections (o) and (p) to read
1-28 as follows:

1-29 (h) ~~A [Subject to Subsection (i), a]~~ contract entered into
1-30 by the board of trustees of a school district and the governing body
1-31 of an open-enrollment charter school or entity for the operation of
1-32 a district campus as provided by Subsection (a) must:

1-33 (1) be executed only after the district engages in a
1-34 vetting process and ensures accurate projections of student
1-35 enrollment, average daily attendance, and associated costs to
1-36 minimize financial discrepancies;

1-37 (2) clearly state any shared service fees and include
1-38 a formula for any adjustment based on actual use or changes in the
1-39 student population;

1-40 (3) require that all federal money received by the
1-41 district for a student at the campus under the Americans with
1-42 Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Title I
1-43 of the Elementary and Secondary Education Act of 1965 (20 U.S.C.
1-44 Section 6301 et seq.), and any other supplementary funding
1-45 identified in the contract is passed directly from the district to
1-46 the school or entity, without any deduction that is not
1-47 specifically authorized in the contract; and

1-48 (4) subject to Subsection (i), include a provision
1-49 addressing student eligibility for enrollment.

1-50 (o) For each school year for which the board of trustees of a
1-51 school district enters into a contract to partner with an
1-52 open-enrollment charter school or entity to operate a district
1-53 campus under Subsection (a), the district and school or entity
1-54 shall conduct a financial review of the partnership and reconcile
1-55 all payments for the operation of the partnership at the end of the
1-56 school year.

1-57 (p) The agency may:

1-58 (1) provide guidance to school districts,
1-59 open-enrollment charter schools, and entities described by
1-60 Subsection (a)(2) on contracts to partner to operate a district

2-1 campus under Subsection (a); and
2-2 (2) audit a partnership to operate a district campus
2-3 under Subsection (a).

2-4 SECTION 2. Section 11.174(h), Education Code, as amended by
2-5 this Act, and Section 11.174(o), Education Code, as added by this
2-6 Act, apply only to a contract entered into or renewed on or after
2-7 the effective date of this Act. A contract entered into or renewed
2-8 before the effective date of this Act is governed by the law in
2-9 effect on the date the contract was entered into or renewed, and the
2-10 former law is continued in effect for that purpose.

2-11 SECTION 3. This Act takes effect September 1, 2025.

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