By: Ezeonu H.B. No. 1240

A BILL TO BE ENTITLED

AN ACT

relating to repealing the education savings account program.

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

SECTION 1. The following provisions are repealed:

(1) Subchapter J, Chapter 29, Education Code;

(2) Sections 22A.001(4) and (5), Education Code;

(3) Section 22A.302, Education Code;

(4) Section 411.109(b-1), Government Code; and

(5) Section 3, Chapter 2 (S.B. 2), Acts of the 89th Legislature, Regular Session, 2025, which amended Section 22.092(d), Education Code.

SECTION 2. Section 22A.002, Education Code, is amended to read as follows:

Sec. 22A.002. CONFIDENTIALITY. (a) Unless disclosure is required by other law and except as provided by Subsection (b), a complaint from a member of the public, statement, recording, note, file, record, memorandum, or report that is received, obtained, or created by the board or agency relating to the review or investigation of an allegation of misconduct under this chapter involving [~~an employee of or contractor for an educational provider or~~] an educator or employee employed by or a service provider for an educational entity is confidential and not subject to disclosure under Chapter 552, Government Code.

(b) Subsection (a) does not prohibit the disclosure of:

(1) a report required under Section 22A.051, 22A.052, or 22A.301[~~, or 22A.302~~];

(2) information described by Subsection (a) for purposes of an administrative or other legal proceeding brought under Chapter 2001, Government Code; or

(3) information required to be included in the report under Section 22A.251.

SECTION 3. Section 22A.102, Education Code, is amended to read as follows:

Sec. 22A.102. PRELIMINARY DETERMINATION. To the extent feasible, not later than the 30th day after receipt of a report under Section 22A.051(d), 22A.052(e), or 22A.301(c)[~~, or 22A.302(c)~~], the board or agency, as applicable, shall, based on a preliminary review of the report, make a determination regarding whether:

(1) if the person who is the subject of the report is an educator, a notice of alleged misconduct should be placed on the educator's public certification records under Section 22A.054; and

(2) the person should be placed on the registry under Section 22A.151 with an indication that the person is under investigation for alleged misconduct.

SECTION 4. Section 22A.155(a), Education Code, is amended to read as follows:

(a) The agency shall develop and maintain an Internet portal through which:

(1) a report required under Section 22A.051(d), 22A.052(e), or 22A.301(c)[~~, or 22A.302(c)~~] is confidentially and

securely filed; and

(2) the agency makes available:

(A) the registry of persons who are not eligible to be employed by or act as service providers for educational entities as described by Section 22A.151; and

(B) information indicating that a person is under investigation for alleged misconduct in accordance with Section 22A.101(e), provided that the agency must provide the information through a procedure other than the registry.

SECTION 5. The heading to Subchapter G, Chapter 22A, Education Code, is amended to read as follows:

SUBCHAPTER G. REQUIRED MISCONDUCT REPORTING: PRIVATE SCHOOLS [~~AND EDUCATIONAL PROVIDERS~~]

SECTION 6. Section 403.0956, Government Code, is amended to read as follows:

Sec. 403.0956. REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE. Notwithstanding any other law, all interest or other earnings that accrue on all revenue held in an account in the general revenue fund any part of which Section 403.095 makes available for certification under Section 403.121 are available for any general governmental purpose, and the comptroller shall deposit the interest and earnings to the credit of the general revenue fund. This section does not apply to:

(1) interest or earnings on revenue deposited in accordance with Section 51.008, Education Code;

(2) an account that accrues interest or other earnings on deposits of state or federal money the diversion of which is

specifically excluded by federal law;

(3) the lifetime license endowment account;

(4) the game, fish, and water safety account;

(5) the coastal protection account;

(6) the Alamo complex account;

(7) the artificial reef account;

(8) the sexual assault program fund;

(9) the deferred maintenance fund account; or

(10) the ship channel improvement revolving fund

[~~(10) the program fund established under Section 29.353, Education Code~~].

SECTION 7. Section 411.109(c), Government Code, is amended to read as follows:

(c) Subject to Section 411.087 and consistent with the public policy of this state, the comptroller is entitled to:

(1) obtain through the Federal Bureau of Investigation criminal history record information maintained or indexed by that bureau that pertains to a person described by Subsection (a) or[~~,~~] (b)[~~, or (b-1)~~]; and

(2) obtain from the department or any other criminal justice agency in this state criminal history record information maintained by the department or that criminal justice agency that relates to a person described by Subsection (a) or[~~,~~] (b)[~~, or (b-1)~~].

SECTION 8. Section 810.002, Health and Safety Code, is amended to read as follows:

Sec. 810.002. APPLICABILITY. This chapter applies to the

following state agencies:

(1) the Department of Family and Protective Services;

(2) the Health and Human Services Commission;

(3) the Texas Education Agency; and

(4) the Texas Juvenile Justice Department[~~, and~~

[~~(5) the comptroller of public accounts~~].

SECTION 9. (a) On the effective date of this Act, the program fund established under Subchapter J, Chapter 29, Education Code, as repealed by this Act, is abolished and the unencumbered balance of the program fund is transferred to the general revenue fund.

(b) Money from the program fund established under Subchapter J, Chapter 29, Education Code, as repealed by this Act, that is encumbered because the money is obligated by contract before the effective date of this Act, but under the terms of the contract will not be distributed until a later date, shall be held in trust by the comptroller as trustee outside the state treasury and shall be administered by the comptroller as trustee to ensure that the money is distributed in accordance with the terms of the contract. If the comptroller determines that the money will not be distributed in accordance with the terms of the contract, the comptroller shall transfer that money to the general revenue fund.

SECTION 10. Money transferred to an education savings account established under Subchapter J, Chapter 29, Education Code, as that subchapter existed immediately before the effective date of this Act, for the 2026-2027 school year is subject to the requirements of that subchapter, including any rules or procedures

adopted by the comptroller related to the administration of the education savings account program established under that subchapter, and that law is continued in effect for that purpose.

SECTION 11. To the extent of any conflict, this Act prevails over another Act of the 90th Legislature, Regular Session, 2027, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 12. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2027.