

- SUBJECT:** Requiring AG to approve tax-exempt status of charter school bonds
- COMMITTEE:** Pensions, Investments, and Financial Services — favorable, without amendment
- VOTE:** 10 ayes — Murphy, Vo, Capriglione, Flynn, Gervin-Hawkins, Gutierrez, Leach, Longoria, Stephenson, Wu
- 0 nays
- 1 absent — Lambert
- WITNESSES:** For — Mark Larson, KIPP Texas; Tom Sage, Texas Charter Schools Association; (*Registered, but did not testify:* John Armbrust, Austin Achieve; Christine Nishimura, Texas Charter Schools Association)
- Against — (*Registered, but did not testify:* Dwight Harris, Texas American Federation of Teachers; Will Holleman, Texas Association of School Boards; Lisa Dawn-Fisher, Texas State Teachers Association)
- BACKGROUND:** Under Education Code sec. 53.40, bonds issued to benefit an institution of higher education are subject to approval by the attorney general.
- Concerns have been raised that a municipality could prevent a charter school from expanding by withholding approval for the tax-exempt status of the bond issuance.
- DIGEST:** HB 4258 would require the attorney general, after reviewing the record of public notice and hearings relating to any bond financing an educational facility for an authorized charter school, to issue approval for the tax-exempt status of the bond issuance.
- The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.