

## **BILL ANALYSIS**

Senate Research Center  
77R16219 BDH-D

C.S.H.B. 6  
By: Dunnam (Bivins)  
Education  
5/11/2001  
Committee Report (Substituted)

### **DIGEST AND PURPOSE**

C.S.H.B. 6 establishes a two-year moratorium on new charters for open-enrollment charter schools and strengthens the accountability and oversight provisions regarding the operation of open-enrollment charter schools.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the commissioner of education in SECTIONS 2 (Section 12.121, Education Code) and 3 (Section 12.155, Education Code), and to the corporation established by the Public Finance Authority in SECTION 5 (Section 53.351, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 12.104, Education Code, by adding Subsection (c), to provide that an open-enrollment charter school is subject to certain factors imposed by state law or by a rule adopted under state law, relating to certain criteria.

SECTION 2. Amends Chapter 12D, Education Code, by adding Sections 12.1071 and 12.121-12.124, as follows:

Sec. 12.1071. STATUS AND USE OF FUNDS. Sets forth provisions regarding the status and use of funds.

Sec. 12.121. SANCTIONS BY COMMISSIONER. Sets forth provisions regarding sanctions by the commissioner of education (commissioner). Requires the commissioner to adopt certain rules.

Sec. 12.122. AUDIT BY COMMISSIONER. Authorizes the commissioner to audit certain records.

Sec. 12.123. CONTRACT FOR MANAGEMENT SERVICES. Defines “management company” and “management services.” Sets forth provisions regarding contract for management services to the school.

Sec. 12.124. GOVERNOR’S COMMISSION ON OPEN-ENROLLMENT CHARTER SCHOOLS. Sets forth provisions regarding the governor’s commission on open-enrollment charter schools.

SECTION 3. Amends Chapter 12, Education Code, by adding Subchapter E, as follows:

#### **SUBCHAPTER E. GOVERNMENTAL ENTITY CHARTER SCHOOLS**

Sec. 12.151. DEFINITIONS. Defines “governing board” and “public senior college or

university.”

Sec. 12.152. AUTHORIZATION. Sets forth provisions regarding authorization of a governing board.

Sec. 12.153. APPLICABILITY OF CERTAIN PROVISIONS. Sets forth applicability of certain provisions.

Sec. 12.154. FORM OF CHARTER. Requires a charter of a governmental entity charter school to be in a form of written contract signed by certain persons.

Sec. 12.155. CERTAIN FUNDING. Sets forth provisions regarding certain funding. Requires the commissioner to adopt rules as necessary to administer this section.

Sec. 12.156. SUPERVISION OF GOVERNMENTAL ENTITY CHARTER SCHOOLS. Sets forth provisions regarding supervision of governmental entity charter schools.

Sec. 12.157. AUTHORITY TO GRANT CHARTER. Authorizes a charter for an open-enrollment charter school to only be licensed under this subchapter. Provides that this section expires September 1, 2003.

SECTION 4. Amends Sections 39.131(a) and (d), Education Code, as follows:

(a) Requires the commissioner, under a certain situation, to take certain actions.

(d) Authorizes the commissioner, if the district fails or refuses to pay the costs in a timely manner, to perform certain duties.

SECTION 5. Amends Chapter 53C, Education Code, by adding Section 53.351, as follows:

Sec. 53.351. BONDS FOR OPEN-ENROLLMENT CHARTER SCHOOL FACILITIES. Sets forth provisions regarding bonds for open-enrollment charter school facilities. Requires the Public Finance Authority (corporation) to adopt rules governing the issuance of bonds on behalf of an authorized open-enrollment charter school.

SECTION 6. (a) Repealer: Section 12.1011, Education Code.

(b) Provides that a charter for an open-enrollment charter school granted under the authority of Section 12.1011, Education Code, as that section existed before repeal by this Act, is considered to have been granted under the authority of Section 12.101, Education Code.

SECTION 7. Provides that this Act prevails over any conflicting Act of the 77th Legislature, Regular Session, 2001, that amends or repeals a provision of Title 2, Education Code, as amended by this Act, regardless of the relative dates of enactment.

SECTION 8. Effective date: September 1, 2001.