

## **BILL ANALYSIS**

Senate Research Center

H.B. 1564  
By: Truitt (Nelson)  
Education  
4/24/2003  
Engrossed

### **DIGEST AND PURPOSE**

Under current law, municipalities are authorized to apply to the Texas Education Agency (TEA) for an open-enrollment charter. The TEA has granted a charter to at least one municipality for an open-enrollment charter school. Municipalities, however, are not provided clear authority to generate or utilize any funds to construct charter school facilities. H.B. 1564 clarifies that a municipality that has been granted a charter is authorized to generate or use funds for the purpose of establishing, maintaining, or operating an open-enrollment charter school.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 12.101(a), Education Code, to authorize the State Board of Education, in accordance with this subchapter, to grant a charter on the application of an eligible entity for an open-enrollment charter school to operate in a facility of a commercial or nonprofit entity, an eligible entity, or a school district, including a home-rule school district.

SECTION 2. Amends Subchapter D, Chapter 12, Education Code, by adding Section 12.131, as follows:

Sec. 12.131. USE OF MUNICIPAL FUNDS FOR CHARTER SCHOOL LAND OR FACILITIES. Authorizes a municipality to which a charter is granted under this subchapter to borrow funds, issue obligations, or otherwise spend its funds to acquire land or acquire, construct, expand, or renovate school buildings or facilities or related improvements for its open-enrollment charter school in the same manner the municipality is authorized to borrow funds, issue obligations, or otherwise spend its funds in connection with any other public works project.

SECTION 3. Effective date: upon passage or September 1, 2003.