

BILL ANALYSIS

Senate Research Center

S.B. 1611
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Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Open-enrollment public charter schools in Texas are growing, but with 100,000 students on waiting lists just to get accepted, the supply is not meeting the demand.

Private school attendance is also on the rise in Texas, also showing the desire for different educational opportunities. With almost 1,300 private schools throughout the state, and more students moving to private schools, again, the desire for choice and competition is on the rise.

S.B. 1611 offers education professionals the opportunity to open a professional charter academy, which would allow them to function independently while obtaining the same property rights afforded to other professionals. The comptroller of public accounts of the State of Texas and the commissioner of education would establish the program and administer the rules to govern it. State and federal laws that apply to private schools will apply to these academies.

Just like open-enrollment public charters, professional charters have to prove a need by the community to be eligible to apply and they must show proof of funding for one year. After that, they may receive state funding for the following consecutive years.

This bill gives successful teachers and other educational professionals the chance to be entrepreneurial in the field where they have passion and expertise.

As proposed, S.B. 1611 amends current law relating to the establishment of professional charter academies.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the comptroller of public accounts of the State of Texas, in coordination with the commissioner of education, in SECTION 1 (Section 12.202, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 12, Education Code, by adding Subchapter F, as follows:

SUBCHAPTER F. PROFESSIONAL CHARTER ACADEMY PROGRAM

Sec. 12.201. PURPOSE. Provides that the purpose of this subchapter is to give education professionals the opportunity to function independently, with property rights similar to those afforded other professionals and the rewards inherent in those rights.

Sec. 12.202. PROFESSIONAL CHARTER ACADEMY PROGRAM; RULES.
(a) Requires the comptroller of public accounts of the State of Texas (comptroller), in coordination with the commissioner of education (commissioner), to establish a professional charter academy program under which eligible education professionals are authorized to create a professional charter academy in accordance with this subchapter.

(b) Requires the comptroller, in coordination with the commissioner, to adopt rules to administer this subchapter. Requires that the rules include provisions

relating to prevention of fraud in financial transactions under the professional charter academy program.

Sec. 12.203. **ELIGIBLE EDUCATION PROFESSIONALS.** (a) Requires an education professional, to be eligible to operate a professional charter academy under this subchapter, to:

- (1) have at least five years of classroom teaching experience;
- (2) have been rated as proficient or higher for at least five years under the evaluation system used to evaluate the professional; or
- (3) have served as the principal of a school for at least five years.

(b) Requires a professional charter academy to be operated by at least one eligible education professional.

Sec. 12.204. **APPLICATION OF LAWS.** Provides that a professional charter academy is subject only to federal and state laws applicable to private schools. Provides that a professional charter academy is not subject to state law applicable to charter schools authorized by law other than this subchapter.

Sec. 12.205. **INITIAL FUNDING.** Provides that an eligible education professional under Section 12.203 is responsible for securing initial capital from sources other than public funding for the establishment of a professional charter academy.

Sec. 12.206. **GRANTING OF CHARTER.** Requires the comptroller to grant a charter to operate a professional charter academy to an eligible professional under Section 12.203 if the professional provides to the comptroller:

- (1) an educational business plan acceptable to the comptroller;
- (2) proof of financial ability to fund 12 months of the academy's anticipated expenses, presented in the form of a bank letter of credit or other acceptable financial guarantee; and
- (3) demonstration of parental and community interest in the establishment of a professional charter academy.

Sec. 12.207. **PUBLIC FUNDING.** (a) Requires the comptroller, for each school year, to provide to a student who will attend a professional charter academy or the student's parent an amount equal to the average state funding per student received by open-enrollment charter schools during the preceding school year. Authorizes the student or the student's parent to assign the funding received under this section to the professional charter academy the student attends. Authorizes the comptroller to adjust the amount provided in accordance with the student's actual attendance.

(b) Requires the comptroller to provide funding to the student, to the student's parent, or, if the funding has been assigned to the professional charter academy, to the professional charter academy not later than the 90th day after the comptroller receives data attendance reports from the professional charter academy at the end of the school year.

(c) Prohibits federal funds and money from the available school fund from being used to make payments under this subchapter.

Sec. 12.208. **REPORTS.** (a) Requires the comptroller, not later than October 1 of each year, to report to the commissioner and the Legislative Budget Board the estimated number of students who are likely to attend each professional charter academy authorized

under this subchapter. Requires that the report indicate the school district a student attending a professional charter academy is eligible to attend.

(b) Requires the comptroller, not later than March 1 of each year, to provide actual numbers of students who attend each professional charter academy.

(c) Requires the comptroller, the Legislative Budget Board, and the Texas Education Agency to modify estimates of funding under Section 42.253 (Distribution of Foundation School Fund) using the information reported under this section.

SECTION 2. Requires the comptroller, in coordination with the commissioner, as soon as possible but not later than the 45th day after the effective date of this Act, to establish the professional charter academy program as required under Subchapter F, Chapter 12, Education Code, as added by this Act.

SECTION 3. Effective date: upon passage or September 1, 2015.