

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1659
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Education
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

As the Senate Committee on Education worked this interim drafting language on S.B. 1658 and issues related to the disposition of charter school property, it was clear that the Texas Education Agency (TEA) will eventually receive a substantial amount of funds from the sale of properties of which TEA is currently in possession. Language in S.B. 1658 allows for the commissioner of education (commissioner) to transfer any funds in the Charter School Liquidation Fund exceeding \$2 million for use in high-quality education grant program in addition to the already existing option to transfer the money into the Charter School Bond Guarantee Reserve Fund. Section 12.141(c) of S.B. 1658 states:

(c) The agency shall annually review the amount of funds in the charter school liquidation fund and transfer any funds exceeding \$2 million:

(1) for use in funding a high-quality educational grant program established by the commissioner; or

(2) to the comptroller to deposit in the charter district bond guarantee reserve fund under Section 45.0571.

By allowing the commissioner to use excess monies in the charter school liquidation fund for high-quality educational grant programs we can ensure that money appropriated for Texas students can be used to maximum education effect.

Analysis:

- S.B. 1659 requires the commissioner to administer a high-quality education grant program.
- S.B. 1659 requires the program to be competitive and benefit school districts and charters in implementing high-quality educational programs.
- S.B. 1659 allows the commissioner to receive funding for the grant program through:
 - o Gifts
 - o Grants
 - o Donations
 - o Any available source. (Original Author's / Sponsor's Statement of Intent)

C.S.S.B. 1659 amends current law relating to the commissioner of education accepting contributions for the public school system, adopting rules regarding grant compliance, and establishing grants for high-quality educational programs.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of education in SECTION 2 (Section 7.067, Education Code) and SECTION 3 (Section 29.924, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 7.055(b), Education Code, by adding Subdivision (42) to authorize the commissioner of education (commissioner) to accept a gift, grant, donation, or other contribution on behalf of the public school system or Texas Education Agency (TEA) and provides that, unless otherwise specified by the donor, the commissioner is authorized to use the contribution in the manner the commissioner determines.

SECTION 2. Amends Subchapter C, Chapter 7, Education Code, by adding Section 7.067, as follows:

Sec. 7.067. GRANT COMPLIANCE. (a) Authorizes the commissioner to adopt rules to ensure that recipients of state-funded grants administered by the commissioner or TEA are in compliance with grant requirements and to require a grant recipient to provide information to TEA detailing grant compliance.

(b) Authorizes the commissioner to direct TEA to make a site visit to a grant recipient to review the recipient's compliance with grant requirements. Provides that a review conducted under this subsection is not subject to Section 7.028 (Limitation on Compliance Monitoring) or 39.056 (Monitoring Reviews).

(c) Authorizes the commissioner, if the commissioner finds that a grant recipient is not in compliance with grant requirements, to seek the remittance of the grant funds and withhold funding authorized under Section 12.106 (State Funding) or Chapter 42 (Foundation School Program) or any other state funding in an amount sufficient to recover the grant funds provided to the recipient.

(d) Provides that a decision of the commissioner regarding grant compliance, including a decision to withhold funding under Subsection (c), is final and prohibits the decision from being appealed.

SECTION 3. Amends Subchapter Z, Chapter 29, Education Code, by adding Section 29.924, as follows:

Sec. 29.924. HIGH-QUALITY EDUCATIONAL PROGRAM GRANTS. (a) Requires the commissioner to establish a competitive grant program to assist school districts and open-enrollment charter schools in implementing high-quality educational programs.

(b) Authorizes the commissioner to adopt rules on the use of grant funds under this section, including rules determining eligibility, award amount, and any restrictions. Authorizes the commissioner to authorize a grant recipient or a tax-exempt organization contracting with the grant recipient to use grant funds for facility purposes and performance-based incentives.

(c) Authorizes the commissioner to make grants under this section using funds from available sources, including gifts, grants, and donations accepted by the commissioner. Provides that a decision of the commissioner concerning the amount of funds available for a grant is final and prohibits the decision from being appealed.

SECTION 4. Requires the commissioner to implement this Act only if the legislature appropriates money specifically for that purpose. Authorizes the commissioner, but does not require the commissioner, if the legislature does not appropriate money specifically for that purpose, to implement this Act using other appropriations available for the purpose.

SECTION 5. Effective date: September 1, 2017.