

AN ACT

relating to a limitation on audits of an open-enrollment charter school.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 12.1163, Education Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) To the extent consistent with this section [~~Subsection (b)~~], the commissioner may audit the records of:

- (1) an open-enrollment charter school;
- (2) a charter holder; and
- (3) a management company.

(c) Unless the commissioner has specific cause to conduct an additional audit, the commissioner may not conduct more than one on-site audit under Section 12.1163 during any fiscal year, including any financial and administrative records. For purposes of this subsection, an audit of a charter holder or management company associated with an open-enrollment charter school is not considered an audit of the school.

SECTION 2. This Act takes effect September 1, 2003.

David Newkum

President of the Senate

Jim Cusick

Speaker of the House

I certify that H.B. No. 1146 was passed by the House on April 24, 2003, by a non-record vote; and that the House concurred in Senate amendments to H.B. No. 1146 on May 30, 2003, by a non-record vote.

Robert Haney

Chief Clerk of the House

I certify that H.B. No. 1146 was passed by the Senate, with amendments, on May 28, 2003, by the following vote: Yeas 31, Nays 0.

Patricia Saw

Secretary of the Senate

APPROVED: 20 JUN '03

Date

Rick Peary

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
10:30 PM O'CLOCK

JUN 20 2003
Ann Shea
Secretary of State