The Texas Education Agency adopts an amendment to §61.1010, concerning additional state aid for school districts that contract to partner to operate a district campus. The amendment is adopted without changes to the proposed text as published in the August 21, 2026 issue of the *Texas Register* (51 TexReg 5509) and will not be republished. The adopted amendment updates the list of exclusions to align the rule with statute and changes made by House Bill (HB) 2, 89th Texas Legislature, Regular Session, 2025, and reorders the list for clarity.

REASONED JUSTIFICATION: Section 61.1010 provides an entitlement through the Foundation School Program for school districts that enter contracts to partner to operate a district campus under Texas Education Code (TEC), §11.174 and §11.157(b).

The adopted amendment adds the sparsity adjustment under TEC, §48.052, to the list of exclusions under subsection (e) because HB 2593, 84th Texas Legislature, Regular Session, 2015, stated that the adjustment only applies to school districts with very small student populations.

HB 2, 89th Texas Legislature, Regular Session, 2025, removed the New Tech Network from TEC, §48.106. The adopted amendment to §61.1010(e)(1) removes the reference to the New Tech Network to align with the bill.

HB 2, 89th Texas Legislature, Regular Session, 2025, recodified and transferred the School Safety Allotment from TEC, §48.115 (Subchapter C), to TEC, §48.160 (Subchapter D). The adopted amendment removes the School Safety Allotment from §61.1010(e)(5) because §61.1010(c)(1)(B) does not include TEC, §48.160, allotments.

HB 2, 89th Texas Legislature, Regular Session, 2025, repealed TEC, §48.114, which includes the Mentor Program Allotment, effective September 1, 2026. The adopted amendment removes the Mentor Program Allotment from §61.1010(e)(4) to align the rule with the bill.

The adopted amendment also reorders the list to match the numerical order of the authority that supports each exclusion.

SUMMARY OF COMMENTS AND AGENCY RESPONSES: The public comment period on the proposal began August 21, 2026, and ended September 21, 2026. No public comments were received.

STATUTORY AUTHORITY. The amendment is adopted under TEC, §29.934, as amended by HB 2, 89th Texas Legislature, Regular Session, 2025, which enables a local education agency to apply for a campus to become designated as a resource campus if the campus has received an overall performance rating of D, F, or an overall performance rating of "Not Rated" for three years over a 10-year period of time; TEC, §48.052, which provides additional funding to school districts with very low student populations; TEC, §48.102, as amended by Senate Bill (SB) 568 and HB 2, 89th Texas Legislature, Regular Session, 2025, which provides school systems with an annual allotment for special education; TEC, §48.106, as amended by HB 2 and HB 120, 89th Texas Legislature, Regular Session, 2025, which provides school systems with an annual allotment for career and technology education; TEC, §48.160, as transferred, redesignated, and amended by HB 2, HB 121, and SB 260, 89th Texas Legislature, Regular Session, 2025, which provides school systems with an annual allotment for school safety purposes; TEC, §48.252, which authorizes the commissioner of education to adopt rules necessary for the implementation of an entitlement for school districts that enter into a contract to operate a district campus under TEC, §11.174 or §11.157(b), or school districts that operate a resource campus under TEC, §29.934; and HB 2, 89th Texas Legislature, Regular Session, 2025, which repeals TEC, §48.114, effective September 1, 2026. TEC, §48.114, provides school systems with an annual allotment for a mentoring program for classroom teachers.

CROSS REFERENCE TO STATUTE. The amendment implements TEC, §29.934, as amended by HB 2, 89th Texas Legislature, Regular Session, 2025; §48.052; §48.102, as amended by SB 568 and HB 2, 89th Texas Legislature, Regular Session, 2025; §48.106, as amended by HB 2 and HB 120, 89th Texas Legislature, Regular Session, 2025; §48.160, as transferred, redesignated, and amended by HB 2, HB 121, and SB 260, 89th Texas Legislature, Regular Session, 2025; and §48.252; and HB 2, 89th Texas Legislature, Regular Session, 2025, which repeals TEC, §48.114, effective September 1, 2026.

<rule>

§61.1010. Additional State Aid for School Districts that Contract to Partner to Operate a District Campus.

(a) General provisions. This section implements Texas Education Code (TEC), §48.252 (School District Entitlement for Certain Students), which provides for additional funding for a school district that has entered into a contract to partner to operate a district campus under TEC, §11.174; a school district that has entered into a contract with a partner to jointly operate a campus or campus program under TEC, §11.157(b); or a school district that operates a resource campus as provided by TEC, §29.934.

(b) Definitions. The following words and terms, when used in this section, shall have the following meanings.

(1) Contracted campus--A campus for which the board of trustees of a school district has contracted to partner to operate a campus under TEC, §11.174 or §11.157(b).

(2) Contracted campus program--A program on a campus operated by a charter school under TEC, Chapter 12, Subchapter D, for which the board of trustees of a school district has contracted to jointly operate the program under TEC, §11.157(b).

(3) Resource campus--A campus designated by the commissioner of education to operate as a campus under TEC, §29.934.

(c) Entitlement.

(1) In the fall of each school year, as part of the settle-up process for the preceding school year, the Texas Education Agency (TEA) will use the attendance reported through the Texas Student Data System Public Education Information Management System (TSDS PEIMS) summer data submission, as well as campus-level data regarding the number of students eligible for compensatory education funding under TEC, §48.104, from the TSDS PEIMS fall submission, to calculate the following for a contracted campus, contracted campus program, or resource campus:

(A) the entitlement for each student in average daily attendance at the contracted campus, contracted campus program, or resource campus, as if the campus, contracted campus program, or resource campus were a charter school under TEC, §12.106, using the state average basic allotment as defined under TEC, §12.106(a-1), and state average tax effort for enrichment funding as defined by TEC, §12.106(a-2);

(B) the entitlement for each student in average daily attendance at the contracted campus, contracted campus program, or resource campus under TEC, Chapter 48, Subchapters B, C, and E, as adjusted by subsection (d) of this section, using the district's basic allotment and enrichment tax effort without a local share component for those entitlements; and

(C) any positive difference that results from subtracting the amount calculated under subparagraph (B) of this paragraph from the amount calculated under subparagraph (A) of this paragraph, which shall be added to the district's Foundation School Fund Allotment.

(2) Campus program attendance must be reported on a separate track to receive funding.

(d) Estimates. School districts will be provided with estimated funding during a school year for eligible contracted campuses, contracted campus programs, or resource campuses based on the prior year's attendance data using the same methodology used in subsection (c)(1) of this section to calculate the entitlement. The final entitlement will be based on data from the current school year as provided for in subsection (c)(1) of this section. Any difference from the estimated entitlement will be addressed as part of the Foundation School Program settle-up process according to the provisions of TEC, §48.272.

(e) Exclusions. For purposes of the calculation in subsection (c) of this section, the following allotments shall be excluded from the entitlement:

(1) the Sparsity Adjustment under TEC, §48.052;

(2) the Career and Technology Education Allotment under TEC, §48.106(a-1), for students enrolled in P-TECH campuses;

(3) the College, Career, or Military Readiness Outcomes Bonus under TEC, §48.110;

(4) the Fast Growth Allotment under TEC, §48.111; and

(5) the Teacher Incentive Allotment under TEC, §48.112.

(f) Funding for instructional facilities for charter schools. For purposes of the calculation in subsection (c)(1)(A) of this section, any funding to which the contracted campus, contracted campus program, or resource campus would be entitled under TEC, §12.106(d), will be included in the calculation.

(g) Recovery of funds. If a contract is found to be out of compliance with TEC, §11.157 or §11.174, or §97.1075 of this title (relating to Contracting to Partner to Operate a Campus under Texas Education Code, §11.174), TEA will eliminate any funding provided for that campus, contracted campus program, or resource campus under TEC, §48.252, and recover any funds overallocated under the provisions of TEC, §48.272.