

**ATTACHMENT II**  
**Text of Proposed New 19 TAC**

**Chapter 61. School Districts**

**Subchapter AA. Commissioner's Rules on School Finance**

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

- (a) General provisions. This section implements the Texas Education Code (TEC), §42.2511 (School District Entitlement for Certain Students), which provides for additional funding for school districts that have entered into a contract to partner to operate a district campus under the TEC, §11.174.
- (b) Definition. In this section, the term "contracted campus" means a campus for which the board of trustees of a school district has contracted to partner to operate a campus under the TEC, §11.174.
- (c) Entitlement. 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 summer data submission, as well as campus-level data regarding the number of students eligible for free and reduced-price meals received from the Texas Department of Agriculture, to calculate the following for a contracted campus:
- (1) the entitlement for each student in average daily attendance at the contracted campus, as if the campus were a charter school under the TEC, §12.106, using the state average adjusted allotment as defined under the TEC, §12.106(a-1), and state average tax effort for enrichment funding as defined by the TEC, §12.106(a-2);
  - (2) the entitlement for each student in average daily attendance at the contracted campus under the TEC, Chapter 42, Subchapters B, C, and F, as adjusted by subsection (d) of this section, using the district's adjusted allotment and enrichment tax effort without a local share component for those entitlements; and
  - (3) any positive difference that results from subtracting the amount calculated under paragraph (2) of this subsection from the amount calculated under paragraph (1) of this subsection, which shall be added to the district's Foundation School Fund Allotment.
- (d) Exclusions. For purposes of the calculation in subsection (c) of this section, the following allotments shall be excluded from the entitlement:
- (1) the Tuition Allotment for districts not offering all grade levels under the TEC, §42.106;
  - (2) the Advanced Career and Technology Education Allotment under the TEC, §42.154(a)(2);
  - (3) the Transportation Allotment under the TEC, §42.155; and
  - (4) the New Instructional Facility Allotment under the TEC, §42.158.
- (e) Funding for instructional facilities for charter schools. Effective September 1, 2018, for purposes of the calculation in subsection (c)(1) of this section, any funding to which the contracted campus would be entitled under the TEC, §12.106(d), will be included in the calculation.
- (f) Recovery of funds. If a contract is found to be out of compliance with the TEC, §11.174, or §97.1075 of this title (relating to Contracting to Partner to Operate a Campus under Texas Education Code, §11.174), the TEA will eliminate any funding provided for that campus under the TEC, §42.2511, and recover any funds overallocated under the provisions of the TEC, §42.258.