School
Poth High School

Senate Committee
Education

Senate Author
Gage Worswick

House Committee
Education

House Authors
Dane Nichols
Sophia Ramirez

Lobbyist
Reese Urbanczyk

Journalist
Grace Holloway

School Board Corruption Act

HB 5 – SB 9

Bill Text

A BILL TO BE ENTITLED
AN ACT

relating to contracting with a school district or open-enrollment charter school by a vendor with whom a member of the board of trustees or governing body of the district or school or a related individual has certain business interests; creating a criminal offense.

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

SECTION 1. Subchapter C, Chapter 11, Education Code, is amended by adding Section 11.067 to read as follows:

Sec. 11.067. PROHIBITION ON CERTAIN ACTIVITY BY VENDOR. (a) In this section, "vendor" means a company, individual, contractor, subcontractor, or professional services provider with whom a school district or open-enrollment charter school enters into an agreement, contract, memorandum of understanding, interlocal agreement, fee schedule, retainer, or similar instrument for goods or services.

(b) A vendor that bids on or receives a contract from a school district or an open-enrollment charter school commits an offense if any individual serving on the board of trustees or governing body of the district or school:

(1) has a substantial interest in the vendor or a subcontractor hired by a vendor;

(2) is related in the second degree by consanguinity or

STUDENT LEGISLATIVE SESSION
TEXAS STATE CAPITOL
EST. 2003

School
Poth High School

Senate Committee
Education

Senate Author
Gage Worswick

House Committee
Education

House Authors
Dane Nichols
Sophia Ramirez

Lobbyist
Reese Urbanczyk

Journalist
Grace Holloway

affinity, as determined under Chapter 573, Government Code, to an individual who has a substantial interest in the vendor; or

(3) has received or has been promised a gift or in-kind services with a value of more than $250.

(c) An individual has a substantial interest in a vendor if the individual:

(1) owns more than 10 percent of the voting interest in the vendor; or

(2) has a direct or indirect participating interest by shares, stock, or otherwise, regardless of whether voting rights are included, in more than 10 percent of the profits, proceeds, or capital gains of the vendor.

(d) An offense under this section is a Class C misdemeanor, except that a second offense under this section is a Class B misdemeanor, a third offense under this section is a Class A misdemeanor, and a fourth or subsequent offense under this section is a state jail felony.

(e) Notwithstanding Subsection (d), any offense under this section is a state jail felony if the vendor directly or indirectly through a third party compensated the individual serving on the board of trustees or governing body of a school district or open-enrollment charter school with money, gifts, or in-kind services as consideration for the district or school entering into a contract with the vendor.

SECTION 2. This Act takes effect Januar 1, 2027.