

Amend CSHB 3646 by adding the following appropriately numbered SECTIONS and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter E, Chapter 42, Education Code, is amended by adding Section 42.25151 to read as follows:

Sec. 42.25151. ADJUSTMENT FOR SUPPLEMENTAL PAYMENTS ASSOCIATED WITH AGREEMENTS UNDER TEXAS ECONOMIC DEVELOPMENT ACT.

(a) In this section, "supplemental payment" means a payment or other benefit, other than a revenue protection payment authorized by Section 313.027(f)(1), Tax Code, provided in connection with an agreement between a property owner and a school district under Chapter 313, Tax Code, by or on behalf of the property owner to:

(1) the district; or

(2) a foundation or other entity created to benefit the district or the district's students.

(b) Notwithstanding Section 42.2516, the commissioner shall for any school year, subject to Subsection (b-1):

(1) reduce the amounts due to a school district under this chapter by an amount equal to the value of any supplemental payment received during that school year by the district or a foundation or other entity created to benefit the district or the district's students; or

(2) increase the amounts necessary for a school district to comply with the requirements of Chapter 41 by an amount equal to the value of any supplemental payments received during that school year by the district or a foundation or other entity created to benefit the district or the district's students.

(b-1) Each school year, a school district is entitled to retain a total benefit from supplemental payments not to exceed the amount equal to \$100 per student in average daily attendance.

(c) A school district shall:

(1) report each supplemental payment through the Public Education Information Management System (PEIMS); and

(2) clearly identify each supplemental payment in the district's adopted budget and in the annual report required by Section 44.007.

(d) The commissioner, in consultation with the comptroller,

as appropriate, may adopt rules necessary to implement this section.

SECTION \_\_\_\_\_. Section 313.027, Tax Code, is amended by adding Subsection (i) to read as follows:

(i) A person and the school district may not enter into an agreement under which the person agrees to provide supplemental payments to a school district in an amount that exceeds an amount equal to \$100 per student per year in average daily attendance, as defined by Section 42.005, Education Code, or for a period that exceeds the period described by Section 313.021(4) or 313.104(2)(B) of this code. This limit does not apply to amounts described by Subsection (f)(1) of this section.