

Amend CSHB 3646 (Senate committee printing) as follows:

(1) In ARTICLE 1 of the bill (page 1, between lines 12 and 13), add the following appropriately numbered SECTION:

SECTION 1.____. Section 12.106, Education Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (a-2) to read as follows:

(a) A charter holder is entitled to receive for the open-enrollment charter school funding under Chapter 42 equal to the greater of:

(1) the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Section 42.302(a), that would have been received for the school during the 2009-2010 school year under Chapter 42 as it existed on January 1, 2009, and an additional amount of \$135 for each student in weighted average daily attendance; or

(2) the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Section 42.302(a), to which the charter holder would be entitled for the school under Chapter 42 [as] if the school were a school district without a tier one local share for purposes of Section 42.253 and without any local revenue [~~("LR")~~] for purposes of Section 42.2516 [42.302].

(a-1) In determining funding for an open-enrollment charter school under Subsection (a), adjustments under Sections 42.102, 42.103, 42.104, and 42.105 [~~and the district enrichment tax rate ("DTR") under Section 42.302~~] are based on the average adjustment [~~and average district enrichment tax rate~~] for the state.

(a-2) In addition to the funding provided by Subsection (a), a charter holder is entitled to receive for the open-enrollment charter school enrichment funding under Section 42.302 based on the state average tax effort.

(2) In SECTION 1.01 of the bill, in added Section 12.1331(b), Education Code (page 1, line 23), between "district" and the period, insert "or to pay for any resulting increases in the amount of contributions made by the charter holder for social security coverage for the specified employees or on behalf of the specified employees under Section 825.405, Government Code".

(3) In SECTION 1.03 of the bill, in added Section 19.009(d-2), Education Code (page 1, line 60), between "Chapter 11" and the period, insert "or to pay for any resulting increases in the amount of contributions made by the district for social security coverage for the specified employees or on behalf of the specified employees under Section 825.405, Government Code".

(4) In SECTION 1.04 of the bill, in added Section 21.402(c-1), Education Code (page 2, line 31), between "district" and the period, insert "or to pay for any resulting increases in the amount of contributions made by the district for social security coverage for the specified employees or on behalf of the specified employees under Section 825.405, Government Code".

(5) In SECTION 1.04 of the bill, in added Section 21.402(c-3), Education Code (page 2, lines 41 and 42), strike "does not include" and substitute "is in addition to".

(6) In ARTICLE 1 of the bill (page 3, between lines 14 and 15), add the following appropriately numbered SECTION:

SECTION 1.____. Section 21.704, Education Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) A local awards plan must provide for teachers and principals eligible to receive awards under the plan to be notified of the specific criteria and any formulas on which the awards will be based before the beginning of the period on which the awards will be based.

(7) In SECTION 1.10 of the bill, in amended Section 41.002(a)(1), Education Code (page 4, line 20), strike "\$470,000" and substitute "\$475,000".

(8) In SECTION 1.12 of the bill, in added Section 42.008(a), Education Code (page 4, lines 67 and 68), strike "six percent" and substitute "\$350".

(9) In SECTION 1.12 of the bill, in added Section 42.008(a-1), Education Code (page 5, line 6), strike "six percent" and substitute "\$350".

(10) In SECTION 1.13 of the bill, in amended Section 42.101(a), Education Code (page 5, lines 32 and 34), strike "\$4,700" each place it appears and substitute "\$4,750".

(11) In SECTION 1.19 of the bill, in amended Section

42.2516, Education Code (page 9, lines 16-44), strike deleted Subsection (b-1) and substitute the following:

(b-1) The amount determined for a school district under Subsection (b) is increased or reduced as follows:

(1) if for any school year the district is entitled to a greater allotment under Section 42.155 or 42.158 or more additional state aid under Section 42.2515 than the allotment or additional state aid to which the district was entitled under Section 42.155, 42.158, or 42.2515, as applicable, [that section] for the 2009-2010 school year [~~on which the district's entitlement under Subsection (b) is based~~], the district's entitlement under Subsection (b) is increased by an amount equal to the difference between the amount to which the district is entitled under Section 42.155, 42.158, or 42.2515, as applicable, for that school year and the amount to which the district was entitled under the applicable [that] section for the 2009-2010 school year [~~+~~

~~[(A) the 2005-2006 school year, if the amount determined for the district under Subsection (b) is determined under Subsection (b)(1)(A); or~~

~~[(B) the 2006-2007 school year, if the amount determined for the district under Subsection (b) is determined under Subsection (b)(1)(B) or (C)]; and~~

(2) if for any school year the district is not entitled to an allotment under Section 42.155 or 42.158 or additional state aid under Section 42.2515 or is entitled to a lesser allotment or less additional state aid under the applicable [that] section than the allotment or additional state aid to which the district was entitled under the applicable [that] section for the 2009-2010 school year [~~on which the district's entitlement under Subsection (b) is based~~], the district's entitlement under Subsection (b) is reduced by an amount equal to the difference between the amount to which the district was entitled under Section 42.155, 42.158, or 42.2515, as applicable, for the 2009-2010 [~~2005-2006 or 2006-2007~~] school year [~~, as appropriate based on whether the district's entitlement under Subsection (b) is determined under Subsection (b)(1)(A), (B), or (C),~~] and the amount to which the district is entitled under the applicable section [~~Section 42.158~~] for the

current school year.

(12) In SECTION 1.19 of the bill, in amended Section 42.2516, Education Code (page 10, line 69, through page 11, line 40), strike deleted Subsections (f-1), (f-2), and (f-3) and substitute the following:

(f-1) The commissioner shall, in accordance with rules adopted by the commissioner, adjust the amount of a school district's local revenue derived from maintenance and operations tax collections, as calculated for purposes of determining the amount of state revenue to which the district is entitled under this section, if the district, for the 2010 ~~[2007]~~ tax year or a subsequent tax year:

(1) adopts an exemption under Section 11.13(n), Tax Code, that was not in effect for the 2009 ~~[2005 or 2006]~~ tax year, or eliminates an exemption under Section 11.13(n), Tax Code, that was in effect for the 2009 ~~[2005 or 2006]~~ tax year;

(2) adopts an exemption under Section 11.13(n), Tax Code, at a greater or lesser percentage than the percentage in effect for the district for the 2009 ~~[2005 or 2006]~~ tax year;

(3) grants an exemption under an agreement authorized by Chapter 312, Tax Code, that was not in effect for the 2009 ~~[2005 or 2006]~~ tax year, or ceases to grant an exemption authorized by that chapter that was in effect for the 2009 ~~[2005 or 2006]~~ tax year; or

(4) agrees to deposit taxes into a tax increment fund created under Chapter 311, Tax Code, under a reinvestment zone financing plan that was not in effect for the 2009 ~~[2005 or 2006]~~ tax year, or ceases depositing taxes into a tax increment fund created under that chapter under a reinvestment zone financing plan that was in effect for the 2009 ~~[2005 or 2006]~~ tax year.

(f-2) The rules adopted by the commissioner under Subsection (f-1) must:

(1) require the commissioner to determine, as if this section did not exist, the effect under Chapter 41 and this chapter of a school district's action described by Subsection (f-1)(1), (2), (3), or (4) on the total state revenue to which the district would be entitled or the cost to the district of purchasing

sufficient attendance credits to reduce the district's wealth per student to the equalized wealth level; and

(2) require an increase or reduction in the amount of state revenue to which a school district is entitled under Subsection (b) that is substantially equivalent to any change in total state revenue or the cost of purchasing attendance credits that would apply to the district if this section did not exist.

(f-3) An adjustment made by the commissioner under the rules adopted under Subsection (f-1) is final and may not be appealed.

(13) In ARTICLE 1 of the bill (page 12, between lines 19 and 20), insert the following appropriately numbered SECTION:

SECTION 1.____. Subchapter E, Chapter 42, Education Code, is amended by adding Section 42.25161 to read as follows:

Sec. 42.25161. ADDITIONAL STATE AID FOR SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT. (a) The commissioner shall provide South Texas Independent School District with the amount of state aid necessary to ensure that the district receives an amount of state and local revenue per student in weighted average daily attendance that is at least \$135 greater than the amount the district would have received per student in weighted average daily attendance during the 2009-2010 school year under this chapter, as it existed on January 1, 2009, at a maintenance and operations tax rate equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, provided that the district imposes a maintenance and operations tax at that rate.

(b) The commissioner may adopt rules necessary to implement this section.

(c) A determination by the commissioner under this section is final and may not be appealed.

(14) In SECTION 1.25 of the bill, in added Section 42.451(a), Education Code (page 14, line 1), between "system" and the period, insert ", including all current weights and adjustments provided under this chapter and any additional weights and adjustments recommended by the committee".

(15) In SECTION 1.25 of the bill, in added Section 42.451, Education Code (page 14, lines 2-26), strike added Subsection (b)

and substitute the following:

(b) The committee is composed of 15 members appointed as follows:

(1) two members of the senate, appointed by the lieutenant governor;

(2) two members of the house of representatives, appointed by the speaker of the house of representatives;

(3) the commissioner of education;

(4) three school district superintendents and two school district business officials, each currently employed in this state and each appointed jointly by the lieutenant governor and the speaker of the house of representatives;

(5) one representative from the business community or the public, appointed by the lieutenant governor;

(6) one representative from the business community or the public, appointed by the speaker of the house of representatives; and

(7) three representatives from the business community or the public, at least one of whom has one or more children who currently attend public school in this state, appointed by the governor.

(16) In SECTION 1.25 of the bill, in added Section 42.455(c), Education Code (page 14, line 65), between "Board," and "the comptroller", insert "the Texas Education Agency,".

(17) In SECTION 1.25 of the bill, in added Section 42.455(d), Education Code (page 15, line 1), immediately following the period, insert "To the extent the review duplicates the study of funding elements otherwise required by Section 42.007, the review replaces that study."

(18) In SECTION 3.01 of the bill (page 19, between lines 24 and 25), insert the following:

(d) Section 40, Chapter 1504 (H.B. 6), Acts of the 77th Legislature, Regular Session, 2001, is repealed.

(19) Add the following appropriately numbered SECTIONS to ARTICLE 3 of the bill:

SECTION 3.____. For purposes of interpreting and implementing Section 825.406, Government Code, the Teacher

Retirement System of Texas may not consider salaries of personnel paid in whole or in part from education stabilization funds distributed to school districts under the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) as being paid from federal funds.

SECTION 3.____. The commissioner of education shall provide school districts with the maximum flexibility permitted under federal law in the administration of education stabilization funds distributed under the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5).

(20) Renumber existing SECTIONS in the bill accordingly.