

Amend **CSHB 3646** (Senate committee printing) in SECTION 1.25 of the bill as follows:

(1) In the subchapter heading to added Subchapter I, Chapter 42, Education Code (page 13, line 65), strike "WEIGHTS" and substitute "ALLOTMENTS, WEIGHTS,".

(2) In the section heading to added Section 42.451, Education Code (page 13, line 67), strike "WEIGHTS" and substitute "ALLOTMENTS, WEIGHTS,".

(3) Strike added Section 42.451(a), Education Code (page 13, line 67, through page 14, line 1), and substitute the following:

(a) The Select Committee on Public School Finance Allotments, Weights, and Adjustments is established to conduct a comprehensive review of allotments, weights, and adjustments under the public school finance system.

(4) In added Section 42.451(b), Education Code (page 14, line 2), strike "15" and substitute "18".

(5) In added Section 42.451(b), Education Code (page 14, lines 9-13), strike added Subdivision (4) and substitute the following:

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

(6) In added Section 42.451, Education Code (page 14, between lines 26 and 27), insert the following:

(b-1) The lieutenant governor and speaker of the house of representatives shall ensure that the percentage of the total number of members appointed under Subsections (b)(4) and (5) who are employed by districts not required to take action under Chapter 41 is proportionate to the percentage of the total number of school districts in this state that are not required to take action under Chapter 41.

(7) In added Subchapter I, Chapter 42, Education Code (page 14, between lines 55 and 56), insert the following new Section 42.455 and renumber subsequent sections in Subchapter I accordingly:

Sec. 42.455. OBJECTIVES OF REVIEW. (a) The committee shall conduct a comprehensive review of the public school finance system with emphasis on the adequacy and equity of the allotments, formulas, weights, and adjustments.

(b) The review must include a thorough study of:

(1) the basic allotment, its adequacy in providing a basic accredited program of education, and the levels of the allotment necessary to fund various percentages of students and school districts at amounts above the target revenue guaranteed under Section 42.2516;

(2) how closely and appropriately each of the following elements reflect and provide financing for costs beyond the control of school districts:

(A) the adjustments for costs related to the geographic variation in known resource costs and costs of education, controlling for the impact of unequalized wealth, including hold-harmless provisions, and properly reflecting the impact of high concentrations of poverty on the compensation that school districts must pay to attract and retain teachers of comparable or appropriate quality;

(B) the adjustments for costs related to the size and diseconomies of scale of school districts;

(C) the adjustments for costs related to the varying instructional needs and characteristics of students and the extent to which they provide each student with access to programs and services that are appropriate to the student's educational needs;

(D) other factors in addition to economic status that correlate to student at-risk status and the need for compensatory education, and the degree to which those factors correspond to additional educational costs; and

(E) the manner in which these adjustments are applied to and impact the overall finance system;

(3) the extent to which the finance system promotes the achievement of the public education mission, objectives, and goals provided by Chapter 4 and the policy and purposes provided by this chapter;

(4) the extent to which the finance system is aligned with preparing each student to meet the requirements prescribed by the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et seq.);

(5) the extent to which the finance system is aligned with preparing each student to meet the requirements prescribed by the accountability system under Subtitle H and the impact of the finance system on student achievement;

(6) the extent to which the finance system, including the individual and district-level adjustments and the overall adequacy of the system, is aligned with preparing each student for college readiness, or where appropriate, for skilled workforce and technical readiness;

(7) the extent to which the finance system is aligned with the state policy of providing substantially equal access to similar revenue per student at similar tax effort, considering all state and local tax revenues of districts after acknowledging all legitimate student and district cost differences, including the extent to which non-formula funding from both state and local sources affects the achievement of that policy;

(8) the extent to which the finance system is aligned with the state policy of providing access to a substantially equalized program of financing in excess of basic costs;

(9) the extent to which existing inequity in the finance system correlates to student achievement and the performance of districts and campuses on other important indicators and aspects of the educational process;

(10) the extent to which the finance system adequately and equitably assists school districts with financing the purchase, construction, and maintenance of appropriate facilities and major capital items; and

(11) the extent to which the finance system appropriately adjusts for the impact of different market costs, student demographics, growth rates, age and condition of existing facilities, and other factors beyond the control of school districts affecting the cost of facilities.

(8) In added Section 42.455(a), Education Code (page 14,

line 58), strike "weights" and substitute "allotments, weights,".