

Amend Amendment No. 22 by S. King to **CSSB 1** (page 56 of the prefiled amendment packet) by striking the text of the amendment and substituting the following:

Amend **CSSB 1** (house committee report) as follows:

(1) In SECTION 1.01 of the bill, in amended Section 42.259, Education Code, strike amended Subsection (d) (page 2, lines 11-23), and substitute the following:

(d) Payments from the foundation school fund to each category 3 school district shall be made as follows:

(1) 30 [45] percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of September of a fiscal year;

(2) 25 [35] percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of October;

(3) 10 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of June;

(4) 15 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of July; and

(5) [43] 20 percent of the yearly entitlement of the district shall be paid in an installment to be made after the 5th day of September and not later than the 10th day of September of the calendar year following the calendar year of the payment made under Subdivision (1) [on or before the 25th day of August].

(2) In SECTION 1.01 of the bill, in amended Section 42.259(f), Education Code (page 2, line 24), strike "(d)(3)" and substitute "(d)(5)".

(3) Strike ARTICLE 56 of the bill (page 136, line 18, through page 158, line 27), and substitute the following:

ARTICLE 56. FISCAL MATTERS RELATING TO PUBLIC SCHOOL FINANCE

SECTION 56.01. Effective September 1, 2011, Subsections (h) and (i), Section 42.253, Education Code, are amended to read as follows:

(h) If the amount appropriated for the Foundation School Program for [~~the second year of~~] a state fiscal year [~~biennium~~] is

less than the amount to which school districts are entitled for that year, the commissioner shall adjust ~~[certify the amount of the difference to the Legislative Budget Board not later than January 1 of the second year of the state fiscal biennium. The Legislative Budget Board shall propose to the legislature that the certified amount be transferred to the foundation school fund from the economic stabilization fund and appropriated for the purpose of increases in allocations under this subsection. If the legislature fails during the regular session to enact the proposed transfer and appropriation and there are not funds available under Subsection (j), the commissioner shall reduce]~~ the total amounts due to each school district and open-enrollment charter school under this chapter and Chapter 12, including amounts due under Section 42.2516, and the total amounts necessary for each school district to comply with the requirements of Chapter 41 ~~[amount of state funds allocated to each district]~~ by an amount determined by applying to each school district and open-enrollment charter school, including a district or school receiving funds under Section 42.2516, the same percentage adjustment to the amount of target revenue under Section 42.2516 for the district or school so that the total amount of the adjustment to all districts and schools ~~[a method under which the application of the same number of cents of increase in tax rate in all districts applied to the taxable value of property of each district, as determined under Subchapter M, Chapter 403, Government Code,~~ results in an amount ~~[a total levy]~~ equal to the total adjustment necessary ~~[reduction]~~. For purposes of this subsection, a school district's target revenue is the sum of the amounts described by Sections 42.2516(b)(1) and (2) and (d)(1), and an open-enrollment charter school's target revenue is the amount described by Section 12.106(a). The commissioner may make the adjustment authorized by this subsection at any time during the state fiscal year. A school district or open-enrollment charter school is not entitled to reimbursement in a subsequent fiscal year of the amount resulting from the adjustment authorized by this subsection. The commissioner may adopt rules necessary to implement this subsection. ~~[The following fiscal year, a district's entitlement under this section is increased by an amount equal to~~

~~the reduction made under this subsection.]~~

(i) Not later than March 1 each year, the commissioner shall determine the actual amount of state funds to which each school district is entitled under the allocation formulas in this chapter for the current school year, as adjusted in accordance with Subsection (h), if applicable, and shall compare that amount with the amount of the warrants issued to each district for that year. If the amount of the warrants differs from the amount to which a district is entitled because of variations in the district's tax rate, student enrollment, or taxable value of property, the commissioner shall adjust the district's entitlement for the next fiscal year accordingly.

SECTION 56.02. Effective September 1, 2013, Sections 42.253(h) and (i), Education Code, are amended to read as follows:

(h) If the amount appropriated for the Foundation School Program for the second year of a state fiscal biennium is less than the amount to which school districts are entitled for that year, the commissioner shall certify the amount of the difference to the Legislative Budget Board not later than January 1 of the second year of the state fiscal biennium. The Legislative Budget Board shall propose to the legislature that the certified amount be transferred to the foundation school fund from the economic stabilization fund and appropriated for the purpose of increases in allocations under this subsection. If the legislature fails during the regular session to enact the proposed transfer and appropriation and there are not funds available under Subsection (j), the commissioner shall reduce the total amount of state funds allocated to each district by an amount determined by a method under which the application of the same number of cents of increase in tax rate in all districts applied to the taxable value of property of each district, as determined under Subchapter M, Chapter 403, Government Code, results in a total levy equal to the total reduction. The following fiscal year, a district's entitlement under this section is increased by an amount equal to the reduction made under this subsection.

(i) Not later than March 1 each year, the commissioner shall determine the actual amount of state funds to which each school

district is entitled under the allocation formulas in this chapter for the current school year and shall compare that amount with the amount of the warrants issued to each district for that year. If the amount of the warrants differs from the amount to which a district is entitled because of variations in the district's tax rate, student enrollment, or taxable value of property, the commissioner shall adjust the district's entitlement for the next fiscal year accordingly.