Amend CSSB 1 (house committee printing) by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE \_\_\_\_. ALLOCATION OF STATE AND FEDERAL FUNDS FOR ADULT BASIC EDUCATION

SECTION \_\_\_\_.01. Section 29.255, Education Code, is amended by adding Subsection (c) to read as follows:

(c) Notwithstanding any other provision of this subchapter, the agency shall allocate state and federal adult education program funds, other than federal funds set aside for state administration, special projects, and staff development, to each county based on need, performance, and efficiency.

SECTION \_\_\_\_.02. Subchapter H, Chapter 29, Education Code, is amended by adding Section 29.2535 to read as follows:

- Sec. 29.2535. SERVICE PROVIDER CONTRACTS: COMPETITIVE PROCUREMENT REQUIREMENT. (a) The agency shall use a competitive procurement process to award a contract to a service provider of an adult education program.
- (b) The agency shall adopt rules to administer this section.

  SECTION \_\_\_\_\_.03. (a) The change in law made by Section 29.2535(a), Education Code, as added by this article, applies only to a contract entered into on or after the effective date of this article.
- (b) Not later than August 31, 2012, the Texas Education Agency shall adopt rules to provide for a competitive procurement process to award contracts to service providers of adult education programs as provided by Section 29.2535, Education Code, as added by this article.

SECTION \_\_\_\_.04. (a) Except as provided by Subsection (b) of this section, this article takes effect September 1, 2012.

(b) Section 29.2535(b), Education Code, as added by this article, takes effect on the 91st day after the last day of the legislative session.