

Amend **CSHB 1** as follows:

(1) In Article III of the bill, following the appropriation to the Texas Education Agency, add the following appropriately numbered rider:

____. Out of the funds appropriated above in Strategy A.2.2, Student Success, the commissioner of education shall, in each fiscal year of the fiscal biennium ending August 31, 2005, allocate \$1 million in federal child care and development funds transferred from the Texas Workforce Commission through interagency contract and \$1 million in general revenue funds for a prekindergarten and child care and development fund coordination demonstration project to serve at joint locations children who are eligible for government-funded prekindergarten and children who are eligible for subsidized child care funded by federal child care and development funds. The commissioner of education shall select appropriate sites and participating entities for the project. To the extent authorized by other law, the commissioner of education and other appropriate executive officers of other state agencies shall waive rules and procedures necessary to facilitate operation of the project. The participating entities in the project may include local governments, independent school districts, local workforce development boards, community organizations, institutions of higher education, and other organizations with the capacity to serve children included in the project. The commissioner of education shall use funds allocated under this rider to distribute grants to participating entities. The commissioner of education shall determine the amount and duration of each grant. Each grant recipient must:

(1) serve a number of children equal to the number of children that would otherwise be served through government-funded prekindergarten services or subsidized child care using the amount of the grant; and

(2) contribute matching funds or in-kind resources in an amount determined by the commissioner of education as sufficient to enable the recipient to:

(a) provide quality care and education to children served;

(b) administer the project; and

(c) study the cost-effectiveness, cost-efficiency, and school-readiness outcomes of the project.

(2) In Article III of the bill, following the appropriation to the Texas Education Agency, amend Rider 45 (page III-14) in the first sentence by striking "\$75,092,439" both places it appears and substituting "\$74,092,439".

(3) In Article VII of the bill, following the appropriation to the Texas Workforce Commission, add the following appropriately numbered rider:

____. Out of the funds appropriated above in Strategy A.1.1, Child Care Services, \$1 million in federal child care and development funds shall be transferred through interagency contract in each fiscal year of the fiscal biennium ending August 31, 2005 to the Texas Education Agency for the prekindergarten and child care and development fund coordination demonstration project.