Amend CSHB 3459 by adding the following SECTIONS in the appropriate place and renumber accordingly:

"SECTION _____. Subsection (a), Section 13.005, Education Code, is amended to read as follows:

(a) Except as provided by this section or by a local consolidation agreement under Section 13.158, the annexation of all or part of the territory of one district to another is effective on the first July 1 that is more than 30 days after the date of the order or ordinance accomplishing the annexation or of the declaration of the results of an election at which the transfer is approved."

"SECTION _____. Section 13.152, Education Code, is amended to read as follows:

Sec. 13.152. RESOLUTION OR PETITION. Consolidation is initiated in each district proposed to be consolidated by either a resolution adopted by the board of trustees of the [each] district or a petition requesting an election on the question that is signed by the required number of registered voters of the district [each of the districts proposed to be consolidated]. Each district is not required to use the same method to initiate consolidation."

"SECTION _____. Section 13.153, Education Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

- (b) If no local consolidation agreement is submitted under Section 13.158, the [The] ballot in the election shall be printed to permit voting for or against the proposition: "Consolidation of (name of school districts) into a single school district."
- (c) If a local consolidation agreement is submitted under Section 13.158, the ballot in the election shall be printed to permit voting for or against the proposition: "Consolidation of (name of school districts) into a single school district under a local consolidation agreement.""

"SECTION _____. Subsections (b) and (c), Section 13.155, Education Code, are amended to read as follows:

(b) Except as provided by Subsection (c) or by a local consolidation agreement under Section 13.158, the board of trustees of the school district having the greatest membership on the last

day of the school year preceding the consolidation serves as the board of trustees of the consolidated district until the next regular election of trustees, at which time the consolidated district shall elect a board of trustees.

under Section 13.158, if [If] the membership on the last day of the school year preceding the consolidation in the district with the largest membership is more than five times that of the other district or districts consolidating with it, the trustees of the district with the largest membership continue to serve for the terms for which they have been elected and only the vacancies, as they occur, are filled from the consolidated district."

"SECTION _____. Subchapter D, Chapter 13, Education Code, is amended by adding Section 13.158 to read as follows:

- Sec. 13.158. LOCAL CONSOLIDATION AGREEMENT. (a) Before issuing an order for an election under Section 13.153, the boards of trustees of the districts to be consolidated may draft a local consolidation agreement to be submitted to the registered voters in each district. An agreement must set out the composition and method of election of the consolidated board of trustees. The identical agreement must be submitted to the registered voters of each district.
- (b) A local consolidation agreement may provide the following:
- (1) an effective date that is not more than one year after the date of the consolidation election;
- (2) a schedule to elect the board of trustees of the consolidated district before or after the effective date of consolidation;
- (3) that the consolidated district educate particular grades within the boundaries of a district being consolidated;
- (4) that the consolidated district maintain a specific campus in operation;
- (5) that if the votes cast in some districts, but not all districts, show a majority voting in favor of the consolidation, the districts receiving a favorable vote may

consolidate;

- (6) that a majority of the votes cast in each district must be in favor of consolidation for there to be a consolidation; or
- (7) any other provision consistent with state and federal law.
- is held, the boards of trustees of the districts to be consolidated may amend the local consolidation agreement. After a successful election to consolidate, the local consolidation agreement may not be amended for five years following the effective date of consolidation, unless a shorter period is set out in the agreement. After that time, the agreement may be amended only by unanimous vote of the board of trustees of the district.
- (d) The commissioner may waive a requirement under this section or Section 13.159 on application of the boards of trustees of all districts proposed for consolidation."

"SECTION _____. Subchapter D, Chapter 13, Education Code, is amended by adding Section 13.159 to read as follows:

- Sec. 13.159. PUBLIC INSPECTION AND HEARING. (a) A local consolidation agreement under Section 13.158 must be made available for public inspection during regular business hours at the central administration building of each district for at least 25 days before the consolidation election.
- (b) Each district shall hold a public hearing to allow interested persons to present comments related to the local consolidation agreement. If the agreement is amended following a public hearing, before the consolidation election each district shall hold another public hearing to consider the amendment.
- (c) Each district shall provide notice of each public hearing to the public."

"SECTION _____. Section 41.033, Education Code, is amended to read as follows:

Sec. 41.033. GOVERNANCE PLAN. (a) The agreement among the consolidating districts may include a governance plan designed to preserve community-based and site-based decision making within the consolidated district, including the delegation of specific powers

of the governing board of the district other than the power to levy taxes, including a provision authorized by Section 13.158(b).

(b) The governance plan may provide for a transitional board of trustees during the first year after consolidation, but beginning with the next year the board of trustees must be elected from within the boundaries of the consolidated district [from single-member districts drawn in accordance with the procedures provided by Section 11.052]. If the consolidating districts elect trustees from single-member districts, the consolidated district must adopt a plan to elect its board of trustees from single-member districts."

"SECTION _____. (a) The changes in law made by this Act to Subsection (a), Section 13.005, Education Code, Subsections (b) and (c), Section 13.155, Education Code, and Section 41.033, Education Code, apply only to a school district consolidated with an effective date on or after the effective date of this Act. A school district consolidated with an effective date before the effective date of this Act is covered by the law in effect on the effective date of the district's consolidation, and the former law is continued in effect for that purpose."