By: Pitts

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H.B. No. 3245

## A BILL TO BE ENTITLED

## AN ACT

2 relating to compensatory education allotments under the foundation 3 school program.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Sections 42.152(i)-(1), (n), and (p), Education 6 Code, are amended to read as follows:

7 (i) From the total amount of funds appropriated for allotments under this section, the commissioner may [shall], each 8 fiscal year, withhold an [\$7,500,000 or a greater] amount as 9 determined in the General Appropriations Act and distribute that 10 amount for programs under Subchapter A, Chapter 33. 11 A program 12 established under that subchapter is required only in school 13 districts in which the program is financed by funds distributed 14 under this section or other funds distributed by the commissioner for a program under that subchapter. In distributing those funds, 15 preference shall be given to a school district that received funds 16 for a program under this subsection for the preceding school year. 17

(j) The commissioner shall coordinate <u>any</u> [the] funds withheld under Subsection (i) and any other funds available for the program and [shall] distribute those funds. To receive <u>available</u> funds for the program, a school district must apply to the commissioner. <u>In distributing any funds under this subsection, the</u> [The] commissioner shall give a preference to the districts that apply that have the highest concentration of at-risk students. For

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each school year that a school district receives funds under this <u>subsection</u> [section], the district shall allocate an amount of local funds for school guidance and counseling programs that is equal to or greater than the amount of local funds that the school district allocated for that purpose during the preceding school year.

7 (k) After deducting <u>any</u> [the] amount withheld under 8 Subsection (i) from the total amount appropriated for the allotment 9 under Subsection (a), the commissioner shall reduce each district's 10 tier one allotments in the same manner described for a reduction in 11 allotments under Section 42.253.

(1) From the total amount of funds appropriated for allotments under this section, the commissioner <u>may</u> [shall], each fiscal year, withhold <u>an</u> [the] amount <u>not more than</u> [of] \$2.5 million for transfer to the investment capital fund under Section 7.024.

(n) After deducting <u>any</u> [the] amount withheld under Subsection (1) from the total amount appropriated for the allotment under Subsection (a), the commissioner shall reduce each district's allotment under Subsection (a) proportionately and shall allocate funds to each district accordingly.

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## (p) The commissioner <u>may</u> [shall:

[(1)] withhold, from the total amount of funds appropriated for allotments under this section, an amount <u>not to</u> <u>exceed five percent of the amounts allocated under this section and</u> <u>distribute that amount for</u> [<del>sufficient to finance</del>] extended year programs under Section 29.082. In distributing any funds under

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1	this subsection, the commissioner shall [not to exceed five percent
2	of the amounts allocated under this section; and
3	[ <del>(2)</del> ] give priority to applications for extended year
4	programs to districts with high concentrations of educationally
5	disadvantaged students.
6	SECTION 2. This Act takes effect September 1, 2003.