

Amend **CSHB 1** (Senate committee printing) as follows:

(1) In SECTION 1(b) of the bill, on page 3, line 36, Rider 97 is amended to read as follows:

Rider 97. Contingency Appropriation: House Bill 2 and House Bill 3. (a) Contingent on passage and enactment of House Bill 2 or similar legislation relating to public school finance, and House Bill 3 or similar Legislation relating to the reduction of local school district property taxes and increasing state revenues by the 79th Legislature, ~~First Called Session, 2005,~~ there is hereby appropriated out of the General Revenue Fund \$1,787,800,000 for the 2006-07 biennium to implement the provisions of the bills increasing total revenue for the operation of local school districts and for the provision of textbooks. ~~Included in the contingency amount specified is \$25 million in each year of the biennium to increase allocations to school districts in the Instructional Facilities Allotment.~~ Also contingent on passage and enactment of House Bill 3 or similar legislation by the 79th Legislature, ~~First Called Session, 2005,~~ all additional state revenue that is received during the 2006-07 biennium that as estimated by the comptroller is attributable to changes in law made by House Bill 3 or by similar legislation and that may be spent for purposes of the Foundation School Program is appropriated to the Texas Education Agency for the 2006-07 biennium; however, such appropriations shall not exceed amounts necessary to provide state aid to school districts in an amount commensurate, as determined by the Legislative Budget Board, with the loss in local revenue associated with tax rate reduction. The Legislative Budget Board is directed to make all necessary adjustments to public education agencies, strategies, methods of finance, measures and riders necessary to implement the legislation. The Texas Education Agency shall develop a plan subject to approval by the Legislative Budget Board and the Governor, as needed to implement the bill.

(b) Included in Strategy A.1.2 Equalized Facilities is \$50 million for the purpose of new issuances under the Instructional Facilities Allotment.

(2) In SECTION 1(b) of the bill, on page 3, line 61, Rider 98 is amended to read as follows:

Rider 98. Necessary Adjustments. For the purposes of delineating the appropriation authority and expenditure requirements for the Texas Education Agency for the 2006-07 biennium, the Legislative Budget Board is hereby directed to make necessary adjustments to the provisions above, such as allocation of appropriated funds among strategies and methods of finance, and to rider provisions contained in Senate Bill 1, 79th Legislature, Regular Session, 2005.

(3) In SECTION 1(b) of the bill, on page 3, after line 67, new Rider 99 is added to read as follows:

Rider 99. Funding for Technology Grants. The Texas Education Agency may expend funds on technology grants, pursuant to Texas Education Code § 32.008 as authorized by House Bill 2, or similar legislation by the 79th Legislature, only if additional funds are released to the corpus of the Permanent School Fund from the General Land Office and are made available to the Texas Education Agency for expenditure during the 2006-07 biennium. The amount of funds that may be spent on the technology grants in the 2006-07 biennium shall be limited to the lesser of the amount of funds made available by the increased General Land Office contribution or \$65 million.

(4) In SECTION 1 of the bill, on page 4, between lines 54 and 55, new subsections (d) and (e) are added to read as follows:

(d) Texas Education Agency Rider 69 in Article III, Senate Bill 1, Acts of the 79th Legislature, Regular Session, 2005 (the General Appropriations Act), is amended to read as follows:

Rider 69. ~~[Guaranteed Yield and]~~ Per Pupil Allotment. Funds allocated above in Strategy A.1.1, FSP - Equalized Operations, include funds sufficient to ensure the ~~[an increase to the Guaranteed Yield Program and]~~ maintenance~~[, for districts not eligible for the Guaranteed Yield Program,]~~ of the \$110 per weighted student allocation authorized in Rider 82, page III-23, 2003 General Appropriations Act, as modified by House Bill 3459.

~~[a. Pursuant to Texas Education Code § 42.302, the Guaranteed Yield per weighted student per penny of tax effort is hereby set at \$29.12 in fiscal year 2006 and at \$29.85 in fiscal year 2007.]~~

~~[b. School districts not receiving state aid as provided in~~

~~subsection (a) are hereby entitled to receive an allocation of General Revenue to maintain per pupil funding levels pursuant to the \$110 per WADA allocation authorized in Rider 82, page III-23, General Appropriations Act, 2003, as they received in the 2004-05 biennium.~~

~~e.} The total amount of payment under this section is subject to reduction to the extent that districts not otherwise entitled to state aid from the Foundation School Fund receive a benefit from the change in the distributions from the Available School Fund caused by the adoption of amendments to the Texas Constitution, Article VII, § 5, at the election held September 13, 2003.~~

The Texas Education Agency shall develop and promulgate rules as necessary to carry out this provision. Such rules are subject to prior approval by the Legislative Budget Board and the Governor.

(e) Texas Education Agency Rider 69 in Article III, Senate Bill 1, Acts of the 79th Legislature, Regular Session, 2005 (the General Appropriations Act), is amended to read as follows:

Rider 78. Textbook Proclamations. It is the intent of the Legislature that the State Board of Education forego the issuance of all Proclamations of textbook purchases until such time as the Legislature has implemented reforms to the system by which the state and school districts procure and purchase textbooks.

Contingent upon passage and enactment of House Bill 2, or similar legislation relating to public school finance by the 79th Legislature, First Called Session, 2005, it is the intent of the Legislature that the State Board of Education rescind Proclamation 2004 and conduct activities related to instructional materials in accordance with the provisions of House Bill 2.

(5) On page 5 of the bill, Amend SECTION 2(b)(1) to make reference to Section 2(a)(1) instead of 3(a)(1).

(6) On page 5 of the bill, SECTION 3 is amended to read as follows:

SECTION 3. EFFECTIVE DATE. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution, and appropriations are available to meet funding needs of the Texas Education Agency in fiscal years 2005, 2006, and

2007 as determined by the Legislative Budget Board. If this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the last day of the legislative session.