

Amend **HB 2** as follows:

(1) On page 6, between lines 18 and 19, insert the following:

(f) The study required by Subsection (e) must include a component on funding elements relating to special education programs and services. The special education component must include a review of the current funding elements relating to special education program and services, an analysis of funding mechanisms used by other states, the solicitation and consideration of recommendations from persons with expertise in the area of special education, a review of best practices in the area of special education, and the development of recommendations for a funding system that supports success for students with disabilities and that appropriately recognizes the variance in needs for specialized services, including related services, without providing fiscal incentives to improperly identify or fail to identify students who need special education services. Regardless of the date on which the report under Subsection (e) is required to be submitted, the board shall submit a report on the results of the special education component required by this subsection to the commissioner and the legislature not later than December 1, 2006. This subsection expires January 1, 2007.

(2) On page 9, line 27, strike "Except as provided by Subsection (m), funds" and substitute "Funds".

(3) On page 11, strike lines 11-15.

(4) On page 101, strike lines 17-20 and substitute the following:

Sec. 29.0164. SPECIAL EDUCATION HEARING OFFICER: CONFLICT OF INTEREST PROVISIONS. A special education hearing officer may not accept employment or compensation from a school district during a school year in which the hearing officer presides over a hearing to which the district is a party.