

(1) Amend **CSHB 1** by adding the following new section to Article 1 and renumbering the sections accordingly:

SECTION _____. Section 41.002(a), Education Code, is amended to read as follows:

Sec. 41.002. EQUALIZED WEALTH LEVEL. (a) A school district may not have a wealth per student that exceeds 305,000, plus an amount determined under Section 42.2516(i).

(2) Amend **CSHB 1** by adding the following new section to Article 1 and renumbering the sections accordingly:

SECTION _____. Section 42.101, Education Code, is amended to read as follows:

Sec. 42.101. BASIC ALLOTMENT. For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an allotment of \$2,537, plus an amount determined under Section 42.2516(i). A greater amount for any school year may be provided by appropriation.

(3) Amend **CSHB 1** by adding the following new section to Article 1 and renumbering the sections accordingly:

SECTION _____. Section 42.302, Education Code, is amended to read as follows:

Sec. 42.302. ALLOTMENT. (a) Each school district is guaranteed a specified amount per weighted student in state and local funds for each cent of tax effort over that required for the district's local fund assignment up to the maximum level specified in this subchapter. The amount of state support, subject only to the maximum amount under Section 42.303, is determined by the formula:

$$GYA = (GL \times WADA \times DTR \times 100) - LR$$

where:

"GYA" is the guaranteed yield amount of state funds to be allocated to the district;

"GL" is the dollar amount guaranteed level of state and local

funds per weighted student per cent of tax effort, which is \$27.14, plus an amount determined under Section 42.2516(i), or a greater amount for any year provided by appropriation;

"WADA" is the number of students in weighted average daily attendance, which is calculated by dividing the sum of the school district's allotments under Subchapters B and C, less any allotment to the district for transportation, any allotment under Section 42.158, and 50 percent of the adjustment under Section 42.102, by the basic allotment for the applicable year;

"DTR" is the district enrichment tax rate of the school district, which is determined by subtracting the amounts specified by Subsection (b) from the total amount of maintenance and operations taxes collected by the school district for the applicable school year and dividing the difference by the quotient of the district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, under Section 42.2521, divided by 100; and

"LR" is the local revenue, which is determined by multiplying "DTR" by the quotient of the district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, under Section 42.2521, divided by 100.

(4) Amend **CSHB 1** by amending Subsection 42.2516(i) as added to read as follows:

(i) The commissioner shall determine the amount of state funds to which a school district is entitled under this section. The commissioner shall provide these additional amounts by increasing the guaranteed level under Section 42.302, the basic allotment under 42.101, and the equalized wealth level under 41.002, so that all three formula elements provide the same yield per penny of tax effort, and continuing to increase these formula elements proportionately so as to provide school districts the amounts required under this section as much as possible through the formula adjustments while minimizing "hold-harmless" amounts outside of the formulas. The total amount of state funds under this Section shall be limited such that the changes in state law made by **HB 1, Third Called Session, 79th Legislature, shall not exceed \$2,385,800,000. The commissioner's determination is final and made**

not be appealed.