

Amend the Callegari amendment to CSHB 3928 (page 58 of the amendment packet) as follows:

(1) On page 1 of the amendment, lines 10 and 17, strike "70 cents" both places it appears and substitute "50 cents".

(2) On page 2 of the amendment, line 2, strike "70 cents" and substitute "50 cents".

(3) On page 2 of the amendment, following line 23, insert the following:

SECTION _____. Section 403.109, Government Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

(c) Subject to Subsection (c-1), beginning [~~Beginning~~] in the state fiscal year that begins after the first tax year in which the average school district maintenance and operations tax rate is not more than \$1.00 per \$100 of taxable value, any money remaining in the fund after a sufficient amount of money is appropriated in that state fiscal year to maintain an average school district maintenance and operations tax rate of \$1.00 per \$100 of taxable value may be appropriated only as follows:

(1) two-thirds of the money appropriated from the fund may be appropriated only for a purpose that will result in a further reduction of the average school district maintenance and operations tax rate; and

(2) one-third of the money appropriated from the fund may be appropriated only for the purpose of increasing the level of equalization of school district enrichment tax effort to the extent that limits reliance by school districts on local property tax effort and decreases the enrichment tax rates of districts.

(c-1) Beginning in the state fiscal year that begins after the first tax year in which the average school district maintenance and operations tax rate is not more than 50 cents per \$100 of taxable value, any money remaining in the fund after a sufficient amount of money is appropriated in that state fiscal year to maintain an average school district maintenance and operations tax rate of 50 cents per \$100 of taxable value may be appropriated only as follows:

(1) one third of the money appropriated from the fund

may be appropriated only for a purpose that will result in a further reduction of the average school district maintenance and operations tax rate;

(2) one-third of the money appropriated from the fund may be appropriated only for the purpose of increasing the level of equalization of school district enrichment tax effort to the extent that limits reliance by school districts on local property tax effort and decreases the enrichment tax rates of districts; and

(3) one-third of the money appropriated from the fund may be appropriated only for the purpose of reducing franchise tax rates under Chapter 171, Tax Code.