Amend HB 18 (house committee report) by striking all below the enacting clause and substituting the following:

SECTION 1. Section 25.112, Education Code, is amended by amending Subsection (d) and adding Subsection (d-1) to read as follows:

- (d) On application of a school district, the commissioner may except the district from the limit in Subsection (a) if the commissioner:
- $\underline{\text{(1)}}$ finds the limit works an undue hardship on the district; or
- (2) determines that as a result of a reduction in state funding levels, the amount of state and local funds per weighted student available to the district is less than the amount of state and local funds per weighted student available to the district in the preceding school year.
- (d-1) An exception <u>under Subsection (d)</u> expires at the end of the school year for which it is granted.

SECTION 2. This Act applies beginning with the 2011-2012 school year.

SECTION 3. 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. 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.