Amend CSSB 2 (house committee report) as follows:

- (1) On page 7, lines 3 and 4, strike "<u>under this subsection</u>" and substitute "<u>if the requirements of this subsection</u>, including the absence of commissioner disapproval under Subdivision (3), are satisfied".
- (2) On page 14, line 18, between "Education" and "[board may]", insert "shall".
- (3) On page 20, line 21, between "39" and the semicolon, insert "for the three preceding school years".
- (4) On page 21, line 8, between "procedures" and the period, insert "for the three preceding school years".
- (5) On page 24, between lines 10 and 11, insert the following:
- (k) For purposes of determination of renewal under Subsection (b)(1) or (3) or (d)(1) or (4), performance during the 2011-2012 school year may not be considered. For purposes of determination of renewal under Subsection (b)(1) or (3) or (d)(1) or (4), the initial three school years for which performance ratings under Subchapter C, Chapter 39, shall be considered are the 2009-2010, 2010-2011, and 2012-2013 school years. For purposes of determination of renewal under Subsection (b)(2) or (d)(2), the earliest school year for which financial accountability performance ratings under Subchapter D, Chapter 39, may be considered is the 2010-2011 school year. This subsection expires September 1, 2016.
- (6) On page 25, between lines 22 and 23, insert the following:
- (c-1) For purposes of revocation under Subsection (c)(1), performance during the 2011-2012 school year may not be considered. For purposes of revocation under Subsection (c)(1), the initial three school years for which performance ratings under Subchapter C, Chapter 39, shall be considered are the 2009-2010, 2010-2011, and 2012-2013 school years. For purposes of revocation under Subsection (c)(2), the initial three school years for which financial accountability performance ratings under Subchapter D, Chapter 39, shall be considered are the 2010-2011, 2011-2012, and 2012-2013 school years. This subsection expires September 1, 2016.

(d) In reconstituting the governing body of a charter holder under this section, the commissioner shall appoint members to the governing body. In appointing members under this subsection the commissioner:

(1) shall consider:

- (A) local input from community members and parents; and
- (B) appropriate credentials and expertise for membership, including financial expertise, whether the person lives in the geographic area the charter holder serves, and whether the person is an educator; and
- (2) may reappoint current members of the governing body.
- (e) If a governing body of a charter holder subject to reconstitution under this section governs enterprises other than the open-enrollment charter school, the commissioner may require the charter holder to create a new, single-purpose organization that is exempt from taxation under Section 501(c)(3), Internal Revenue Code of 1986, to govern the open-enrollment charter school and may require the charter holder to surrender the charter to the commissioner for transfer to the organization created under this subsection. The commissioner shall appoint the members of the governing body of an organization created under this subsection.
 - (7) On page 25, line 23, strike "(d)" and substitute "(f)".
- (8) On page 25, between lines 24 and 25, insert the following:
- (g) The commissioner shall adopt rules necessary to administer this section.
- (h) The commissioner shall adopt initial rules under Subsection (g) not later than September 1, 2014. This subsection expires October 1, 2014.
 - (9) Strike page 25, line 25, through page 26, line 3.