Amend CSSB 1735 (house committee report) as follows:

(1) On page 3, lines 9 and 10, strike the text.

(2) On page 4, line 6, between "The" and "exemption", insert "Texas Veterans Commission by rule shall ensure that the".

(3) On page 5, lines 17 through 19, strike the text and substitute the following:

duty, excluding training, or on active service or active status in the Texas National Guard or the reserve component of the armed forces of the United States for a cumulative total of at least six years before any portion of the exemption may be assigned to a child of the person under Subsection (k).

(4) On page 5, lines 22 through 26, strike the text and substitute the following:

(1) be a student who is classified as a resident underSubchapter B when the child enrolls in an institution of highereducation;

(5) On page 6, line 11, between the underlined semicolon and "<u>and</u>", insert the following appropriately numbered subdivision and renumber subsequent subdivisions of Section 54.341(1), Education Code, and any cross-references to those subdivisions, accordingly:

() no later than the last class date of each semester or other academic term for which the exemption is claimed, perform at least 20 hours of community service approved by the institution in which the student is enrolled;

(6) On page 6, between lines 14 and 15, add the following appropriately lettered subsection to Section 54.341, Education Code, and amend the recital to SECTION 1 of the bill accordingly:

() If a person fails to meet any of the requirements of Subsection (1)(3) after the completion of any semester or other academic term, the person is not eligible to receive an exemption under Subsection (k) during the next semester or other term in which the person enrolls. A person may become eligible to receive an exemption in a subsequent semester or other academic term if the person:

(1) completes a semester or other academic term during which the person is not eligible for the exemption; and

(2) satisfies the requirements of Subsection (1)(3).

(7) Insert the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION ____. Section 434.0079(c), Government Code, is amended to read as follows:

(c) The commission shall adopt rules governing the coordination of federal and state benefits of a person eligible to receive an exemption under:

(1) Section 54.341, Education Code, to ensure that the person first exhausts state or federal grant aid or educational benefits under federal legislation that may be used only for the payment of tuition and fees before receiving the exemption under that section, in accordance with Subsection (e) of that section; and

(2) Section 54.341(k), Education Code, including rules governing[+

[(1) the total number of credit hours assigned under that section that a person may apply to an individual degree or certificate program, consistent with the standards of the appropriate recognized regional accrediting agency; and

 $\left[\frac{(2)}{(2)}\right]$ the application of the assigned exemption to credit hours for which the institution of higher education does not receive state funding.