Amend SB 16 (senate committee report) in SECTION 1 of the bill as follows:

- (1) In added Section 42.606(a)(2), Education Code (page 2, line 12), after the underlined semicolon, strike "and".
- (2) In added Section 42.606(a)(3), Education Code (page 2, line 15), between "state" and the underlined period, insert the following:

<u>; a</u>nd

- (4) updates to the cost of education adjustment necessary to reflect the current geographic variation in known resource costs and costs of education beyond the control of school districts, determined as provided by Subsection (b)
- (3) In added Section 42.606, Education Code (page 2, between lines 15 and 16), insert the following subsection and reletter subsequent subsections accordingly:
- (b) The recommended updates to the cost of education adjustment developed under Subsection (a)(4) must:
- (1) be based on the average of relevant data for the three most recent school years for which that data is available;
- (2) be calculated for each school district to at least four decimal places for each factor and for the total adjustment;
- (3) address all uncontrollable costs that can reasonably be quantified;
- (4) consider the qualifications, experience, and turnover rate of personnel and the impact of those factors on student achievement in considering the adequacy and comparability of salaries;
- (5) properly address the impact of factors that have a large impact on certain types of school districts, such as extreme isolation, regardless of general state impact;
- (6) include only factors for which a rational economic argument can be made;
- (7) control for the impact of unequalized wealth and hold-harmless provisions, and properly reflect the impact of high concentrations of poverty on the compensation that school districts must pay to attract and retain teachers of comparable or appropriate quality; and

- (8) not be artificially adjusted to meet predetermined outcomes or use arbitrary limits.
- (4) In added Section 42.607, Education Code (page 2, line
 23), between "including" and "any", insert ":

<u>(1)</u>".

(5) In added Section 42.607, Education Code (page 2, line 24), between "demographics" and the underlined period, insert the following:

; and

(2) detailed information regarding the data and calculations used in determining the recommended updates to the cost of education adjustment under Section 42.606(a) and any recommendations for the implementation of those updates