Amend CSHB 3 (house committee printing) by adding the following appropriately numbered SECTION to Article 1 of the bill and renumbering subsequent SECTIONS of that Article accordingly:

SECTION 1.____. Subchapter F, Chapter 48, Education Code, as added by this Act, is amended by adding Section 48.2641 to read as follows:

- Sec. 48.2641. ADJUSTMENT FOR CERTAIN STUDENT TRANSFERS.

 (a) This section applies to a school district in which more than 50 percent of the student enrollment is students who transferred from the students' school district of residence, which is located in the same county as the school district to which the students transferred.
- (b) If a student transfers from the student's school district of residence to another district and the student's district of residence receives an amount of funding per student in weighted average daily attendance that is two-thirds or less of the funding per student in weighted average daily attendance received by the district to which the student transfers, the commissioner shall adjust funding to the districts as follows:
- (1) for the district to which the student transferred, reduce funding to the district in an amount equal to 50 percent of the difference between the amount of funding to which the district to which the student transferred is entitled for the transfer student and the amount of funding to which the district from which the student transferred would be entitled for the student; and
- (2) for the district from which the student transferred, increase funding to the district in an amount equal to 50 percent of the difference between the amount of funding to which the district to which the student transferred is entitled for the transfer student and the amount of funding to which the district from which the student transferred would be entitled for the student.