Amend CSHB 3 (senate committee report) as follows:

(1) Add the following appropriately numbered SECTION to ARTICLE 1 of the bill and renumber subsequent SECTIONS of that article accordingly:

SECTION 1.\_\_\_. Section 42.156, Education Code, is transferred to Subchapter C, Chapter 48, Education Code, as added by this Act, redesignated as Section 48.115, Education Code, and amended to read as follows:

Sec. <u>48.115</u> [42.156]. GIFTED AND TALENTED STUDENT ALLOTMENT. (a) For each identified student a school district serves in a program for gifted and talented students that the district certifies to the commissioner as complying with Subchapter D, Chapter 29, a district is entitled to an annual allotment equal to the [district's adjusted] basic allotment [as determined under Section 42.102 or Section 42.103, as applicable,] multiplied by .12 for each school year or a greater amount provided by appropriation.

(b) Funds allocated under this section, other than the represents the that program's share amount of general administrative costs, must be used in providing programs for gifted and talented students under Subchapter D, Chapter 29, including programs sanctioned by International Baccalaureate and Advanced Placement, or in developing programs for gifted and talented students. Each district must account for the expenditure of state funds as provided by rule of the <u>commissioner</u> [State Board of Education]. If by the end of the 12th month after receiving an allotment for developing a program a district has failed to implement a program, the district must refund the amount of the allotment to the agency within 30 days.

(c) Not more than five percent of a district's students in average daily attendance are eligible for funding under this section.

(d) If the amount of state funds for which school districts are eligible under this section exceeds the amount of state funds appropriated in any year for the programs, the commissioner shall reduce each district's tier one allotments in the same manner described for a reduction in allotments under Section 48.266 [42.253].

1

(e) If the total amount of funds allotted under this section before a date set by <u>commissioner</u> rule [<del>of the State Board of</del> <u>Education</u>] is less than the total amount appropriated for a school year, the commissioner shall transfer the remainder to any program for which an allotment under Section <u>48.104</u> [42.152] may be used.

(f) After each district has received allotted funds for this program, the <u>commissioner</u> [State Board of Education] may use up to \$500,000 of the funds allocated under this section for programs such as MATHCOUNTS, Future Problem Solving, Odyssey of the Mind, and Academic Decathlon, as long as these funds are used to train personnel and provide program services. To be eligible for funding under this subsection, a program must be determined by the <u>commissioner</u> [State Board of Education] to provide services that are effective and consistent with the state plan for gifted and talented education.

(2) Strike SECTIONS 2.026 and 2.027 of the bill (page 71, line 61, through page 72, line 30) and renumber subsequent SECTIONS of ARTICLE 2 accordingly.

(3) In SECTION 3.004 of the bill, in amended Section 8.051(d), Education Code, strike Subdivision (2) (page 83, lines 50 through 53) and substitute the following:

(2) training and assistance in providing each program that qualifies for a funding allotment under Section <u>48.102</u>, <u>48.104</u>, <u>48.105</u>, or <u>48.115</u> [<u>42.151</u>, <u>42.152</u>, <u>42.153</u>, or <u>42.156</u>];

(4) In SECTION 5.001(a) of the bill, repealing provisions of the Education Code, strike Subdivision (35) (page 115, line 49) and renumber subsequent subdivisions accordingly.

2