

Amend CSHB 3 (senate committee report) as follows:

(1) In the recital to SECTION 1.001 of the bill, amending Section 12.106, Education Code (page 1, line 29), strike "Subsections (a-3) and (a-4)" and substitute "Subsection (a-3)".

(2) In SECTION 1.001 of the bill, in amended Section 12.106(a), Education Code (page 1, lines 33 and 34), strike "the adjustment under Section 48.052, the allotments under Sections 48.101," and substitute "the adjustments under Sections 48.0511 and 48.052, the allotments under Sections".

(3) In SECTION 1.001 of the bill, in amended Section 12.106(a-1), Education Code, strike page 1, lines 40 through 55 and substitute the following:

(a-1) In addition to the funding provided by Subsection (a), a charter holder is entitled to receive for the open-enrollment charter school an allotment per student in average daily attendance in an amount equal to the product of:

(1) the quotient of:

(A) the total amount of funding provided to eligible school districts attributable to the adjustment under Section 48.0511; and

(B) the total number of students in average daily attendance in school districts that receive an adjustment under Section 48.0511; and

(2) the sum of one and the quotient of:

(A) the total number of students in average daily attendance in school districts that receive an adjustment under Section 48.0511; and

(B) the total number of students in average daily attendance in school districts statewide. [~~In determining funding~~

(4) In SECTION 1.001 of the bill, amending Section 12.106, Education Code, strike Subsection (a-4) (page 2, lines 11 through 17).

(5) Strike the recital to SECTION 1.019 of the bill (page 12, lines 55 through 58) and substitute the following:
Section 42.101, Education Code, is transferred to Subchapter B, Chapter 48, Education Code, as added by this Act, redesignated as Section 48.051, Education Code, and amended to read as follows:

(6) Add the following appropriately numbered SECTION to Article 1 of the bill:

SECTION 1.____. (a) Effective September 1, 2019, Section 42.103, Education Code, as effective until September 1, 2023, is transferred to Subchapter B, Chapter 48, Education Code, as added by this Act, redesignated as Section 48.0511, Education Code, and amended to read as follows:

Sec. 48.0511 [~~42.103~~]. SMALL AND MID-SIZED DISTRICT ADJUSTMENT. (a) The basic allotment for certain small and mid-sized districts is adjusted in accordance with this section. In this section:

(1) "AA" is the district's adjusted allotment per student;

(2) "ADA" is the number of students in average daily attendance for which the district is entitled to an allotment under Section 48.051 [~~42.101~~]; and

(3) "BA" [~~"ABA"~~] is the [~~adjusted~~] basic allotment determined under Section 48.051 [~~42.102~~].

(b) The basic allotment of a school district that contains at least 300 square miles and has not more than 1,600 students in average daily attendance is adjusted by applying the formula:

$$AA = (1 + ((1,600 - ADA) \times .0004)) \times \underline{BA} [\underline{ABA}]$$

(c) The basic allotment of a school district that contains less than 300 square miles and has not more than 1,600 students in average daily attendance is adjusted by applying the following formulas:

(1) [~~for the fiscal year beginning September 1, 2018:~~

$$[\underline{AA} - (1 + ((1,600 - ADA) \times .000275)) \times \underline{ABA},$$

~~(2)]~~ for the fiscal year beginning September 1, 2019:

$$AA = (1 + ((1,600 - ADA) \times .00030)) \times \underline{BA} [\underline{ABA}];$$

(2) [~~(3)]~~ for the fiscal year beginning September 1, 2020:

$$AA = (1 + ((1,600 - ADA) \times .000325)) \times \underline{BA} [\underline{ABA}];$$

(3) [~~(4)]~~ for the fiscal year beginning September 1, 2021:

$$AA = (1 + ((1,600 - ADA) \times .00035)) \times \underline{BA} [\underline{ABA}];$$
 and

(4) [~~(5)]~~ for the fiscal year beginning September 1,

2022:

$$AA = (1 + ((1,600 - ADA) \times .000375)) \times \underline{BA} [\underline{ABA}]$$

(d) The basic allotment of a school district that offers a kindergarten through grade 12 program and has less than 5,000 students in average daily attendance is adjusted by applying the formula, of the following formulas, that results in the greatest adjusted allotment:

(1) the formula in Subsection (b) or (c) for which the district is eligible; or

$$(2) AA = (1 + ((5,000 - ADA) \times .000025)) \times \underline{BA} [\underline{ABA}].$$

(b) Effective September 1, 2023, Section 42.103, Education Code, as effective September 1, 2023, is transferred to Subchapter B, Chapter 48, Education Code, as added by this Act, redesignated as Section 48.0511, Education Code, and amended to read as follows:

Sec. 48.0511 [~~42.103~~]. SMALL AND MID-SIZED DISTRICT ADJUSTMENT. (a) The basic allotment for certain small and mid-sized districts is adjusted in accordance with this section. In this section:

(1) "AA" is the district's adjusted allotment per student;

(2) "ADA" is the number of students in average daily attendance for which the district is entitled to an allotment under Section 48.051 [~~42.101~~]; and

(3) "BA" [~~"ABA"~~] is the [~~adjusted~~] basic allotment determined under Section 48.051 [~~42.102~~].

(b) The basic allotment of a school district that has not more than 1,600 students in average daily attendance is adjusted by applying the formula:

$$AA = (1 + ((1,600 - ADA) \times .0004)) \times \underline{BA} [\underline{ABA}]$$

(d) The basic allotment of a school district that offers a kindergarten through grade 12 program and has less than 5,000 students in average daily attendance is adjusted by applying the formula, of the following formulas, that results in the greatest adjusted allotment:

(1) the formula in Subsection (b), if the district is eligible for that formula; or

$$(2) AA = (1 + ((5,000 - ADA) \times .000025)) \times \underline{BA} [\underline{ABA}].$$

(7) On page 13, between lines 37 and 38, insert the following appropriately numbered SECTION recital:

SECTION 1.____. Section 42.105, Education Code, is transferred to Subchapter B, Chapter 48, Education Code, as added by this Act, redesignated as Section 48.052, Education Code, and amended to read as follows:

(8) In SECTION 1.019 of the bill, in transferred, redesignated, and amended Section 48.052, Education Code, strike "Section 48.051 [~~Sections~~" and substitute "Sections 48.051 and 48.0511 [" in each of the following places:

(A) in Subsection (a) (page 13, line 39); and

(B) in Subsection (c) (page 13, line 69, and page 14, line 1).

(9) In SECTION 1.019 of the bill, in transferred, redesignated, and amended Section 48.052, Education Code, strike "a [~~an adjusted~~]" and substitute "an adjusted" in each of the following places it appears:

(A) in Subsection (a) (page 13, line 41);

(B) in Subsection (a) (page 13, lines 49 and 50); and

(C) in Subsection (c) (page 14, line 4).

(10) Strike "~~adjusted~~" and substitute "adjusted" in each of the following places it appears:

(A) in SECTION 1.019 of the bill, in transferred, redesignated, and amended Section 48.052(a), Education Code (page 13, line 52);

(B) in SECTION 1.022 of the bill, in transferred, redesignated, and amended Section 48.102(a), Education Code (page 14, line 52);

(C) in SECTION 1.022 of the bill, in transferred, redesignated, and amended Section 48.102(a), Education Code (page 14, line 57);

(D) in SECTION 1.022 of the bill, in transferred, redesignated, and amended Section 48.102(j), Education Code (page 15, line 51);

(E) in SECTION 1.024 of the bill, in transferred, redesignated, and amended Section 48.104(a), Education Code (page 16, line 35);

(F) in SECTION 1.025 of the bill, in transferred, redesignated, and amended Section 48.105, Education Code (page 19, line 37);

(G) in SECTION 1.025 of the bill, in transferred, redesignated, and amended Section 48.106(a)(1), Education Code (page 19, line 65); and

(H) in SECTION 1.025 of the bill, in transferred, redesignated, and amended Section 48.107(a), Education Code (page 20, line 43).

(11) Strike SECTION 1.021 of the bill, adding Section 48.101, Education Code (page 14, lines 13 through 43).

(12) In each of the following places, between "the" and "basic", insert "adjusted":

(A) in SECTION 1.023 of the bill, in added Section 48.103(a), Education Code (page 16, line 10);

(B) in SECTION 1.024 of the bill, in transferred, redesignated, and amended Section 48.104(a), Education Code (page 16, line 40);

(C) in SECTION 1.024 of the bill, in transferred, redesignated, and amended Section 48.104(b), Education Code (page 16, line 45);

(D) in SECTION 1.024 of the bill, in transferred, redesignated, and amended Section 48.104(e), Education Code (page 17, line 2);

(E) in SECTION 1.026 of the bill, in added Section 48.108(a), Education Code (page 20, lines 56 and 57);

(F) in SECTION 1.027 of the bill, in added Section 48.111, Education Code (page 23, line 42); and

(G) in SECTION 1.027 of the bill, in added Section 48.113(a), Education Code (page 24, line 25).

(13) In SECTION 1.047 of the bill, in transferred, redesignated, and amended Section 49.054(a), Education Code (page 48, line 12), between "Section" and "48.052", insert "48.0511 or".

(14) In SECTION 1.057 of the bill, in transferred, redesignated, and amended Section 49.357, Education Code (page 60, lines 7 and 8), strike "48.052 [~~42.103~~], 48.101 [~~42.105~~]" and substitute "48.0511, 48.052 [~~42.103, 42.105~~]".

(15) Renumber SECTIONS of Article 1 of the bill accordingly.

(16) In SECTION 5.001(a) of the bill, repealing provisions of the Education Code, strike Subdivision (31) (page 115, line 45) and renumber subsequent subdivisions accordingly.

(17) In SECTION 5.001 of the bill, in the repealer (page 115, between lines 58 and 59), insert the following appropriately lettered subsection and reletter subsequent subsections accordingly:

(_) Effective September 1, 2023, Section 48.0511(c), Education Code, as transferred, redesignated, and amended by this Act, is repealed.