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HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. \_\_\_\_\_

BY: Bernal

1 Amend C.S.H.B. 3 (house committee report) as follows:

2 (1) Strike page 37, line 10, through page 38, line 17, and  
3 substitute the following:

4 (k) At least 52 percent of the funds [~~(c) Funds~~] allocated  
5 under this section must [~~shall~~] be used to:

6 (1) fund supplemental programs and services designed  
7 to eliminate any disparity in performance on assessment instruments  
8 administered under Subchapter B, Chapter 39, or disparity in the  
9 rates of high school completion between:

10 (A) students who are educationally disadvantaged  
11 and students who are not educationally disadvantaged; and

12 (B) students at risk of dropping out of school,  
13 as defined by Section 29.081, and all other students; or

14 (2) [~~Specifically, the funds, other than an indirect~~  
15 ~~cost allotment established under State Board of Education rule,~~  
16 ~~which may not exceed 45 percent, may be used to meet the costs of~~  
17 ~~providing a compensatory, intensive, or accelerated instruction~~  
18 ~~program under Section 29.081 or a disciplinary alternative~~  
19 ~~education program established under Section 37.008, to pay the~~  
20 ~~costs associated with placing students in a juvenile justice~~  
21 ~~alternative education program established under Section 37.011, or~~  
22 ~~to] support a program eligible under Title I of the Elementary and  
23 Secondary Education Act of 1965, as provided by Pub. L. No. 103-382  
24 and its subsequent amendments, and by federal regulations  
25 implementing that Act [~~, at a campus at which at least 40 percent of~~  
26 ~~the students are educationally disadvantaged].~~~~

27 (1) The commissioner shall adopt rules regarding the use of  
28 funds described by Subsection (k). The rules:

29 (1) must:

1                   (A) permit a school district to use those funds  
2 for programs and services that reflect the needs of students at each  
3 campus in the district; and

4                   (B) provide for streamlined reporting on the use  
5 of those funds; and

6                   (2) may not prohibit the use of those funds for any  
7 purpose for which the use of those funds was authorized under former  
8 Section 42.152 as that section existed on September 1, 2018.

9                   (m) The State Board of Education shall adopt rules requiring  
10 a report on the use of funds under Subsection (k) as part of the  
11 annual audit under Section 44.008 and shall develop minimum  
12 requirements for that report.

13                   (n) The commissioner annually shall review each report  
14 required under Subsection (m) for the preceding school year and:

15                   (1) identify each school district that was not in  
16 compliance with Subsection (k) during that school year; and

17                   (2) provide each district identified under  
18 Subdivision (1) a reasonable opportunity to comply with Subsection  
19 (k).

20                   ~~(o) [In meeting the costs of providing a compensatory,~~  
21 ~~intensive, or accelerated instruction program under Section~~  
22 ~~29.081, a district's compensatory education allotment shall be used~~  
23 ~~for costs supplementary to the regular education program, such as~~  
24 ~~costs for program and student evaluation, instructional materials~~  
25 ~~and equipment and other supplies required for quality instruction,~~  
26 ~~supplemental staff expenses, salary for teachers of at-risk~~  
27 ~~students, smaller class size, and individualized instruction. A~~  
28 ~~home-rule school district or an open-enrollment charter school must~~  
29 ~~use funds allocated under Subsection (a) for a purpose authorized~~  
30 ~~in this subsection but is not otherwise subject to Subchapter C,~~  
31 ~~Chapter 29. For purposes of this subsection, a program specifically~~

1 ~~designed to serve students at risk of dropping out of school, as~~  
2 ~~defined by Section 29.081, is considered to be a program~~  
3 ~~supplemental to the regular education program, and a district may~~  
4 ~~use its compensatory education allotment for such a program.~~

5 (2) On page 41, strike lines 5 through 12 and substitute the  
6 following:

7 [~~(e-4)~~] The commissioner, in the year following a  
8 determination under Subsection (n) that a school district was not  
9 in compliance with Subsection (k) for the 2021-2022 school year or a  
10 subsequent school year [~~local audit of compensatory education~~  
11 ~~expenditures~~], shall withhold from the [~~a~~] district's foundation  
12 school fund payment an amount equal to the amount of compensatory  
13 education funds the commissioner [~~agency~~] determines were not used  
14 in compliance with Subsection (k) [~~(e)~~]. The commissioner shall  
15 release to a district funds withheld under this subsection when the  
16 district provides to the commissioner a detailed plan to spend  
17 those funds in compliance with Subsection (k) [~~(e)~~]. In determining  
18 whether a school district is subject to the withholding of funding  
19 required under this subsection, the commissioner may consider the  
20 district's average use of funds for the three preceding school  
21 years.

22 (3) On page 43, line 4, strike "~~(a)~~" and substitute "(a)".

23 (4) Strike page 43, line 17, through page 44, line 1, and  
24 substitute the following:

25 (b) At least 52 percent of the funds [~~Funds~~] allocated under  
26 this section[~~, other than an indirect cost allotment established~~  
27 ~~under State Board of Education rule,~~] must be used in providing  
28 bilingual education or special language programs under Subchapter  
29 B, Chapter 29[~~, and must be accounted for under existing agency~~  
30 ~~reporting and auditing procedures~~].

31 [~~(e)~~] A district's bilingual education or special language

1 allocation may be used only for program and student evaluation,  
2 instructional materials and equipment, staff development,  
3 supplemental staff expenses, salary supplements for teachers,  
4 incremental costs associated with providing smaller class sizes,  
5 and other supplies required for quality instruction [~~and smaller~~  
6 ~~class size~~].

7 (c) The State Board of Education shall adopt rules requiring  
8 a report on the use of funds under Subsection (b) as part of the  
9 annual audit under Section 44.008 and shall develop minimum  
10 requirements for that report.

11 (d) The commissioner annually shall review each report  
12 required under Subsection (c) for the preceding school year and:

13 (1) identify each school district that was not in  
14 compliance with Subsection (b) during that school year; and

15 (2) provide each district identified under  
16 Subdivision (1) a reasonable opportunity to comply with Subsection  
17 (b).

18 (e) The commissioner, in the year following a determination  
19 under Subsection (d) that a school district was not in compliance  
20 with Subsection (b) for the 2021-2022 school year or a subsequent  
21 school year, shall withhold from the district's foundation school  
22 fund payment an amount equal to the amount of bilingual education or  
23 special language funds the commissioner determines were not used in  
24 compliance with Subsection (b). The commissioner shall release to a  
25 district funds withheld under this subsection when the district  
26 provides to the commissioner a detailed plan to spend those funds in  
27 compliance with Subsection (b). In determining whether a school  
28 district is subject to the withholding of funding required under  
29 this subsection, the commissioner may consider the district's  
30 average use of funds for the three preceding school years.