

Amend **CSHB 2** (house committee report) by adding the following appropriately numbered SECTION to Article 1 of the bill and renumbering subsequent SECTIONS of Article 1 accordingly:

SECTION 1.____. Section 39.082(c), Education Code, is amended to read as follows:

(c) The system may not include an indicator under Subsection (b) or any other performance measure that:

(1) requires a school district to spend at least 65 percent or any other specified percentage of district operating funds for instructional purposes; ~~[or]~~

(2) lowers the financial management performance rating of a school district for failure to spend at least 65 percent or any other specified percentage of district operating funds for instructional purposes; or

(3) for a school district required to reduce its local revenue level under Section 48.257, includes in determining the district's ratio of assets to liabilities any amount required to be expended by the district to comply with Chapter 49.