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*BY: [Signature]*  
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FLOOR AMENDMENT NO. \_\_\_\_\_

BY: \_\_\_\_\_

Amend C.S.H.B. 2 (house committee printing) as follows:

(1) On page 1, line 23, strike "Subsection (e-1)" and substitute "Subsections (d-1), (d-2), (d-3), and (e-1)".

(2) On page 3, between lines 20 and 21, insert the following:

(d-1) Notwithstanding Subsection (d), the total amount that may be used to provide allotments under Subsection (d) may not exceed:

(1) for the 2025-2026 school year, \$100 million; and

(2) for the 2026-2027 school year, \$160 million.

(d-2) If the total amount of allotments to which charter holders are entitled for open-enrollment charter schools under Subsection (d) for a school year exceeds the amount permitted under Subsection (d-1), the commissioner shall proportionately reduce the amount of each charter holder's allotment until the total amount for the allotments is equal to the amount permitted under that subsection.

(d-3) Subsections (d-1) and (d-2) and this subsection expire September 1, 2027.

(3) Strike page 3, line 21, through page 4, line 15, and substitute the following:

(e) Subject to Subsection (e-1), a [A] charter holder is not entitled to receive funding under Subsection (d) for an open-enrollment charter school [only] if the school has been assigned:

(1) an unacceptable [most recent overall] performance rating [assigned to the open-enrollment charter school] under

1 Subchapter C, Chapter 39, for the two preceding school years;

2 (2) a financial accountability performance rating under  
3 Subchapter D, Chapter 39, indicating a financial performance lower  
4 than satisfactory for the two preceding school years; or

5 (3) any combination of the ratings described by  
6 Subdivisions (1) and (2) for the two preceding school years  
7 [reflects at least acceptable performance].

8 (e-1) Subsection (e) [This subsection] does not apply to a  
9 charter holder:

10 (1) during the first two years of the applicable open-  
11 enrollment charter school's operation; or

12 (2) that operates a school program located at a day  
13 treatment facility, residential treatment facility, psychiatric  
14 hospital, or medical hospital.

15 (4) Strike page 5, line 16, through page 6, line 1, and  
16 substitute the following:

17 (a-1) An eligible entity granted a charter under this  
18 subchapter is not entitled to receive an allotment under Section  
19 12.106(d) for the adult education program if the program has been  
20 assigned under the applicable accountability framework adopted  
21 under Section 12.262:

22 (1) an overall performance rating that reflects  
23 unacceptable performance for the two preceding school years;

24 (2) a financial accountability performance rating that  
25 indicates a financial performance lower than satisfactory for the  
26 two preceding school years; or

27 (3) any combination of the ratings described by

1 Subdivisions (1) and (2) for the two preceding school years.

2 (5) On page 16, line 5, strike ", (b), (e), and (f)" and  
3 substitute "and (e)".

4 (6) Strike page 17, line 10 through page 18, line 6, and  
5 substitute the following:

6 (e) For each school year, the commissioner shall adjust the  
7 average daily attendance of school districts that are entitled to  
8 funding on the basis of an adjusted average daily attendance under  
9 Subsection (b)(2) so that:

10 (1) all districts are funded on the basis of the same  
11 percentage of the preceding year's actual average daily  
12 attendance; and

13 (2) the total cost to the state does not exceed \$300  
14 million, or a greater amount provided by appropriation ~~[the amount~~  
15 ~~specifically appropriated for that year for purposes of Subsection~~  
16 ~~(b)(2)]~~.

17 (7) On page 20, lines 13 and 14, strike "Subsection (c-3)"  
18 and substitute "Subsections (c-3), (c-4), (c-5), and (c-6)".

19 (8) On page 21, lines 18 through 20, strike "[~~full-time~~  
20 ~~librarians, full-time school counselors certified under Subchapter~~  
21 ~~B, Chapter 21, and full-time school nurses,~~]" and substitute "full-  
22 time librarians, full-time school counselors certified under  
23 Subchapter B, Chapter 21, and full-time school nurses,".

24 (9) On page 23, between lines 3 and 4, insert the following:

25 (c-4) Notwithstanding Subsection (c-3), a school district is  
26 not required to provide a salary increase to an employee under  
27 Subsection (c) in an amount that exceeds \$15,000 per year. A

1 district may spend excess money available as a result of this  
2 subsection for any purpose for which money provided under this  
3 section may be spent.

4 (c-5) A school district that increases employee compensation  
5 in the 2025-2026 school year to comply with Subsection (c), as  
6 amended by H.B. 2, Acts of the 89th Legislature, Regular Session,  
7 2025, is providing compensation for services rendered  
8 independently of an existing employment contract applicable to  
9 that year and is not in violation of Section 53, Article III, Texas  
10 Constitution. A school district that does not meet the  
11 requirements of Subsection (c) in the 2025-2026 school year may  
12 satisfy the requirements of this section by providing an employee  
13 a one-time bonus payment during the 2026-2027 school year in an  
14 amount equal to the difference between the compensation earned by  
15 the employee during the 2025-2026 school year and the compensation  
16 the employee should have received during that school year if the  
17 district had complied with Subsection (c).

18 (c-6) In calculating the difference between a school  
19 district's funding under this chapter per student in average daily  
20 attendance for the current school year and the preceding school  
21 year for purposes of Subsection (c), the agency may not include  
22 the amounts to which the district is entitled under Section 48.115  
23 or 48.284.

24 (10) On page 25, line 4, strike "Section 48.105(a),  
25 Education Code, is" and substitute "Sections 48.105(a) and (b),  
26 Education Code, are".

27 (11) On page 25, between lines 18 and 19, insert the



1 following:

2 (b) At least 55 percent of the funds allocated under this  
3 section must be used in providing bilingual education or special  
4 language programs under Subchapter B, Chapter 29. A district's  
5 bilingual education or special language allocation may be used  
6 only for program and student evaluation, instructional materials  
7 and equipment, staff development, supplemental staff expenses,  
8 salaries [~~salary supplements~~] for teachers, incremental costs  
9 associated with providing smaller class sizes, and other supplies  
10 required for quality instruction.

11 (12) Strike page 29, line 23, through page 31, line 13.

12 (13) On page 36, line 15, strike "For" and substitute  
13 "Beginning with".

14 (14) On page 36, lines 17 and 18, strike "under Chapter 46,  
15 this chapter, and Chapter 49" and substitute "per student in  
16 weighted average daily attendance under this chapter and Chapter  
17 49".

18 (15) On page 36, lines 20 through 22, strike "that would  
19 have been available to the district for the 2025-2026 school year  
20 under Chapter 46, this chapter, and Chapter 49" and substitute  
21 "per student in weighted average daily attendance that would have  
22 been available to the district for the 2025-2026 school year under  
23 this chapter and Chapter 49".

24 (16) Strike page 36, lines 24 through 27, and substitute the  
25 following:

26 (2) \$200.

27 (17) Strike page 37, line 1, through page 38, line 12, and

1 substitute the following:

2 (b) The amount of additional state aid to which a district  
3 is entitled under this section shall be calculated only after all  
4 other funding to which the district is entitled under this chapter  
5 and Chapter 49 has been calculated.

6 (c) For purposes of calculating the amount of additional  
7 state aid to which a district is entitled under this section, the  
8 agency shall:

9 (1) for the 2025-2026 school year, use the same values  
10 for formula funding adjustments under this chapter and Chapter 49,  
11 as those chapters existed on September 1, 2024, that the agency  
12 used during that school year; and

13 (2) for a school year after the 2025-2026 school year,  
14 exclude any formula funding adjustments under this chapter and  
15 Chapter 49, as those chapters existed on September 1, 2024, that  
16 are expired or do not apply to the district for a school year  
17 following the 2025-2026 school year as provided by this chapter  
18 and Chapter 49, as those chapters existed on September 1, 2024.

19 (d) The agency shall notify the Legislative Budget Board as  
20 soon as practicable after the agency determines that no school  
21 districts qualify for additional state aid under this section.

22 (18) Strike page 39, lines 12 through 15, and substitute the  
23 following:

24 attendance of a school district that qualifies for, or an open-  
25 enrollment charter school that if the school were a school district  
26 would qualify for, an allotment under Section 48.101 is the  
27 district's or school's average daily attendance multiplied by the

1 sum of one and:

2           (1) for a school district, the district's annual  
3 allotment per student in average daily attendance under that  
4 section divided by the basic allotment; or

5           (2) for an open-enrollment charter school, the school's  
6 allotment determined per student in average daily attendance under  
7 Section 12.106(a-2) divided by the basic allotment.

8       (19) On page 39, strike lines 16 and 17 and substitute the  
9 following appropriately numbered section:

10       SECTION 1.\_\_\_. Sections 12.1058(e) and 12.106(a-4),  
11 Education Code, are repealed.

12       (20) On page 40, line 3, strike "2026" and substitute "2027".

13       (21) Add the following appropriately numbered SECTION to  
14 ARTICLE 1 of the bill:

15       SECTION 1.\_\_\_. Section 48.115(a), Education Code, is amended  
16 to read as follows:

17       (a) Except as provided by Subsection (a-1), a school  
18 district is entitled to an annual allotment equal to the sum of  
19 the following amounts or a greater amount provided by  
20 appropriation:

21           (1) \$10 for each student in average daily attendance,  
22 plus \$1 for each student in average daily attendance per every \$50  
23 by which the district's maximum basic allotment under Section  
24 48.051 exceeds \$6,555 [~~\$6,160~~], prorated as necessary; and

25           (2) \$15,000 per campus.

26       (22) On page 80, line 26, strike "AND STAFF" and substitute  
27 ", STAFF, AND OTHER PERSONNEL".

1           (23) On page 81, lines 1 and 2, strike "and open-enrollment  
2 charter schools" and substitute ", open-enrollment charter  
3 schools, the Texas Juvenile Justice Department, juvenile boards,  
4 and juvenile probation departments".

5           (24) On page 81, line 6, strike "or".

6           (25) On page 81, line 8, between "12.1014," and "is  
7 eligible", insert "the Texas Juvenile Justice Department, a  
8 juvenile board, or a juvenile probation department".

9           (26) On page 81, line 9, strike "or school" and substitute  
10 ", school, department, or board".

11           (27) On page 81, line 16, strike "and administrators", and  
12 substitute ", administrators, and other relevant personnel".

13           (28) On page 81, line 27 and page 82, line 1, strike "to a  
14 school district or open-enrollment charter school".

15           (29) On page 82, line 2, strike "district or charter school"  
16 and substitute "grant recipient".

17           (30) Renumber SECTIONS of ARTICLE 1 accordingly.

18           (31) On page 41, lines 14 and 15, strike "classroom teacher"  
19 and substitute "teacher of record".

20           (32) On page 41, lines 17 and 23, strike "issued" and  
21 substitute "required".

22           (33) On page 53, line 2, between "on" and "maximizing",  
23 insert "providing a free appropriate public education and".

24           (34) On page 127, line 22, strike "Sections 29.018(c), (d),  
25 and (e)" and substitute "Section 29.018(c)".

26           (35) On page 128, line 13, strike "Section 29.008" and  
27 substitute "Sections 21.3521 and 29.008".

1           (36) On page 128, line 16, strike "Subsection (b)" and  
2 substitute "Subsections (b) and (c)".

3           (37) On page 128, immediately following line 24, add the  
4 following:

5           (c) The changes made by this Act to Sections 48.104, 48.105,  
6 and 48.112, Education Code, take effect September 1, 2026.