

Amend CSSB 1560 (Senate committee printing) as follows:

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

SECTION __. Section 61.059, Education Code, is amended by adding Subsection (o) to read as follows:

(o) In addition to the other funding recommendations required by this section, biennially the board shall determine the amount that the board considers appropriate for purposes of providing funding under Section 61.0596 in the following state fiscal biennium to carry out the purposes of that section and shall make recommendations to the governor and the Legislative Budget Board for funding those programs in that biennium. To the extent the board considers appropriate, the board may include in the formulas established under this section the funding to be provided under Section 61.0596.

SECTION __. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.0596 to read as follows:

Sec. 61.0596. UNIVERSITY FUNDING FOR EXCELLENCE IN SPECIFIC PROGRAMS AND FIELDS; INCENTIVE GRANTS. (a) The board shall administer this section to encourage and assist general academic teaching institutions, other than public state colleges, that are not research universities or emerging research universities according to the institutional groupings under the board's higher education accountability system to develop and maintain specific programs or fields of study of the highest national rank or recognition for that type of program or field.

(b) To assist the institution in achieving the highest national rank or recognition for the applicable degree program and from money available for the purpose, the board shall award incentive grants to general academic teaching institutions described by Subsection (a) that the board considers to have demonstrated the greatest commitment to success in developing or improving, consistent with the mission of the institution, the quality of an existing degree program designated by the institution. An institution must use a grant under this subsection for faculty recruitment or other faculty support with respect to

the designated degree program for which the grant is awarded, including establishment of endowed faculty positions or enhancement of faculty compensation as considered appropriate by the institution.

(c) An institution may designate only one degree program at a time for consideration for new funding under Subsection (b). The institution may change its designation with the consent of the board. If the board determines that an institution has met all the applicable benchmarks for the institution's designated program, the institution may designate another degree program for consideration for new funding under Subsection (b).

(d) The board shall establish a series of benchmarks applicable to each degree program designated by an institution under this section. The institution becomes eligible for funding under Subsection (b) for each benchmark the board determines that the institution has met. The board shall establish the amount of funding for each benchmark met in a manner that provides an effective incentive to assist the institution to continue its efforts to meet the remaining benchmarks for its designated program.

(e) Unless the board determines that a different number of benchmarks is appropriate, the board shall establish three benchmarks for each designated degree program. The board shall identify one or more persons who have relevant expertise and do not reside in this state to assist the board in establishing the benchmarks and associated funding levels for each type of degree program designated by an institution under this section.

(f) An institution that designates a degree program to receive funding under Subsection (b) shall reimburse the board for the costs incurred by the board in administering this section with respect to the institution's designated program.

(g) In addition to supporting the programs designated by institutions for consideration to receive incentive grants under Subsection (b), from money available for the purpose, the board shall provide additional money as the board determines appropriate to assist the institutions described by Subsection (a) in maintaining the excellence of programs or fields of study that have

achieved the highest national ranking or recognition for that type of program or field.

(h) The legislature may not appropriate money for grants or other financial assistance to general academic teaching institutions under this section before the board certifies that one or more institutions have met at least one of the benchmarks established by the board for the institutions' designated degree programs under Subsection (d).

(2) Strike SECTION 6 of the bill (page 3, lines 40-48) and substitute the following appropriately numbered SECTION:

SECTION __. (a) Except as provided by Subsection (b) of this section, this Act takes effect January 1, 2010, but only if the constitutional amendment proposed by the 81st Legislature, Regular Session, 2009, establishing the national research university fund to enable emerging research universities in this state to achieve national prominence as major research universities and transferring the balance of the higher education fund to the national research university fund is approved by the voters. If that constitutional amendment is not approved by the voters, except as provided by Subsection (b) of this section, this Act does not take effect.

(b) This section takes effect September 1, 2009. The sections of this Act adding Sections 61.059(o) and 61.0596, Education Code, take effect September 1, 2009, but only if a specific appropriation for the implementation of those provisions of the Education Code is provided in a general appropriations act of the 81st Legislature.