By: Gallego

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A BILL TO BE ENTITLED 1 AN ACT 2 relating to a TEXAS grant pilot project to provide incentives for students to attend certain underutilized public institutions of 3 higher education. 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5 6 SECTION 1. Subchapter M, Chapter 56, Education Code, is 7 amended by adding Section 56.3011 to read as follows: Sec. 56.3011. PILOT PROJECT TO PROVIDE INCENTIVES FOR 8 ATTENDANCE AT UNDERUTILIZED PUBLIC INSTITUTIONS. (a) 9 The coordinating board shall establish a TEXAS grant pilot project as 10 provided by this section to encourage students to attend eligible 11 public institutions of higher education that offer extensive 12 baccalaureate degree program options and that have sufficient 13 14 facilities, administrative infrastructure, and faculty to serve additional students in order to reduce the need for this state to 15 16 construct additional facilities or hire additional faculty at other institutions of higher education. 17 (b) From money available under Section 56.310 for purposes 18 of this subchapter and money available under Section 56.464 for 19 purposes of Subchapter Q, the coordinating board shall set aside 20 sufficient money to provide TEXAS grants for the 2009-2010 and 21 2010-2011 academic years to students who are initially eligible for 22 23 a grant under Section 56.304 or 56.3041 in either of those years as 24 follows:

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1	(1) for a total of not more than 1,000 students
2	enrolling for the first time at Angelo State University; and
3	(2) for a total of not more than 600 students enrolling
4	for the first time at Sul Ross State University.
5	(c) To the extent money set aside under Subsection (b) is
6	available for the purpose, a person awarded a grant as provided by
7	Subsection (b) who continues to be eligible for a grant under
8	Section 56.305 may receive a grant from the money set aside. If
9	money set aside under Subsection (b) is not available to pay for a
10	grant for a person awarded a grant as provided by Subsection (b) who
11	continues to be eligible for a grant under Section 56.305, the
12	person may receive a grant from the money available under Section
13	56.310 on the same basis as other TEXAS grant applicants.
14	(d) A person awarded a grant under this section is eligible
15	for financial aid under a federal program or program of an eligible
16	institution to the extent authorized under that program.
17	(e) The coordinating board shall reallocate for grants
18	under this subchapter or for loans under Subchapter Q, as
19	applicable, any money set aside for purposes of the TEXAS grant
20	pilot project that is not used in the academic year for which the
21	money is set aside. Money reallocated under this subsection may be
22	used at any eligible institution under this subchapter or
23	Subchapter Q.
24	(f) Except as otherwise specifically provided by this
25	section, this subchapter applies to a TEXAS grant awarded under
26	this section.
27	(g) The coordinating board shall develop criteria for

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1 <u>evaluating the TEXAS grant pilot project and, based on that</u>
2 <u>evaluation, not later than February 1, 2011, shall report to the</u>
3 <u>82nd Legislature the coordinating board's recommendations</u>
4 <u>concerning whether to continue, expand to other underutilized</u>
5 <u>eligible public institutions of higher education, or discontinue</u>
6 <u>the TEXAS grant pilot project.</u>

7 <u>(h) The coordinating board shall include in any board</u> 8 publication concerning financial aid on the board's Internet 9 website information concerning the TEXAS grant pilot project 10 established under this section.

SECTION 2. The Texas Higher Education Coordinating Board 11 shall adopt rules to administer Section 56.3011, Education Code, as 12 added by this Act, as soon as practicable after the date this Act 13 14 takes effect. For that purpose, the board may adopt the initial 15 rules in the manner provided by law for adoption of emergency rules. 16 SECTION 3. This Act takes effect immediately if it receives 17 a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this 18 Act does not receive the vote necessary for immediate effect, this 19 Act takes effect September 1, 2009. 20

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