

By: Gallego

H.B. No. 573

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to a TEXAS grant pilot project to provide incentives for  
3 students to attend certain underutilized public institutions of  
4 higher education.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter M, Chapter 56, Education Code, is  
7 amended by adding Section 56.3011 to read as follows:

8 Sec. 56.3011. PILOT PROJECT TO PROVIDE INCENTIVES FOR  
9 ATTENDANCE AT UNDERUTILIZED PUBLIC INSTITUTIONS. (a) The  
10 coordinating board shall establish a TEXAS grant pilot project as  
11 provided by this section to encourage students to attend eligible  
12 public institutions of higher education that offer extensive  
13 baccalaureate degree program options and that have sufficient  
14 facilities, administrative infrastructure, and faculty to serve  
15 additional students in order to reduce the need for this state to  
16 construct additional facilities or hire additional faculty at other  
17 institutions of higher education.

18 (b) From money available under Section 56.310 for purposes  
19 of this subchapter and money available under Section 56.464 for  
20 purposes of Subchapter Q, the coordinating board shall set aside  
21 sufficient money to provide TEXAS grants for the 2011-2012 and  
22 2012-2013 academic years to students who are initially eligible for  
23 a grant under Section 56.304 or 56.3041 in either of those years and  
24 are attending an institution that the coordinating board, before

1 awarding any grants under this section, has established as an  
2 institution that satisfies the eligibility criteria under  
3 Subsection (a) for serving additional students.

4 (c) To the extent money set aside under Subsection (b) is  
5 available for the purpose, a person awarded a grant as provided by  
6 Subsection (b) who continues to be eligible for a grant under  
7 Section 56.305 may receive a grant from the money set aside. If  
8 money set aside under Subsection (b) is not available to pay for a  
9 grant for a person awarded a grant as provided by Subsection (b) who  
10 continues to be eligible for a grant under Section 56.305, the  
11 person may receive a grant from the money available under Section  
12 56.310 on the same basis as other TEXAS grant applicants.

13 (d) A person awarded a grant under this section is also  
14 eligible for financial aid under a federal program or program of an  
15 eligible institution to the extent authorized under that program.

16 (e) The coordinating board shall reallocate for grants  
17 under this subchapter or for loans under Subchapter Q, as  
18 applicable, any money set aside for purposes of the TEXAS grant  
19 pilot project that is not used in the academic year for which the  
20 money is set aside. Money reallocated under this subsection may be  
21 used at any eligible institution under this subchapter or  
22 Subchapter Q.

23 (f) Except as otherwise specifically provided by this  
24 section, this subchapter applies to a TEXAS grant awarded under  
25 this section.

26 (g) The coordinating board shall develop criteria for  
27 evaluating the TEXAS grant pilot project and, based on that

1 evaluation, not later than February 1, 2013, shall report to the  
2 83rd Legislature the coordinating board's recommendations  
3 concerning whether to continue, expand to other underutilized  
4 eligible public institutions of higher education, or discontinue  
5 the TEXAS grant pilot project.

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

10 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 takes effect. For that purpose, the board may adopt the initial  
14 rules in the manner provided by law for adoption of emergency rules.

15 SECTION 3. This Act takes effect immediately if it receives  
16 a vote of two-thirds of all the members elected to each house, as  
17 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, 2011.