Amend CSSB 778 (senate committee printing) as follows:

- (1) In SECTION 2 of the bill, strike added Section 322.025(b), Government Code (page 3, lines 19-30), and substitute the following:
- (b) The governing board of each institution of higher education to which Section 54.05131, Education Code, applies shall submit to the board, as part of the institution's legislative appropriations request for the general appropriations bill prepared by the board under Section 322.008, a target level for each performance measure applicable to the institution for each of the state fiscal years covered by the bill. The target levels submitted by an institution under this subsection must be established by the institution's governing board in consultation with the institution's system administration, if the institution is a component institution of a university system. In establishing the target levels, the institution's governing board shall consider the Texas Higher Education Coordinating Board's standards under Subsection (c).
- the negotiated rulemaking procedures under Chapter 2008, by rule shall develop standards to be considered by the governing board of an institution of higher education in establishing the institution's target levels for performance measures under Subsection (b). In developing the standards, the negotiating committee established for purposes of this subsection and the coordinating board shall consider institutional improvement on target levels. The coordinating board shall reconvene the negotiating committee to assist the coordinating board whenever the coordinating board modifies or updates the standards.
- (2) In SECTION 2 of the bill, in added Section 322.025(c), Government Code (page 3, line 31), strike " $\underline{(c)}$ " and substitute " $\underline{(d)}$ ".