

Amend **SB 28** by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

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

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

(b) For the purposes of Subsection (a), an eligible institution has sufficient facilities as described by that subsection if:

(1) according to the most recent space usage efficiency report prepared by the coordinating board, the institution has an overall score of less than 100, indicating the availability for greater utilization of classroom and classroom laboratory facilities; or

(2) the coordinating board determines that the institution has sufficient facilities based on criteria the coordinating board considers appropriate.

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

(d) The coordinating board shall develop criteria for evaluating the TEXAS grant pilot project and, based on that evaluation, not later than February 1, 2013, shall report to the 83rd Legislature the coordinating board's recommendations concerning whether to continue, expand to other underutilized eligible institutions, or discontinue the TEXAS grant pilot project.

(e) Not more than 1,000 students may receive a grant awarded under the TEXAS grant pilot project.

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

(g) The coordinating board shall implement this section from available funds that may be used for that purpose.

SECTION _____. (a) The Texas Higher Education Coordinating Board shall award grants under Section 56.3011, Education Code, as added by this Act, beginning with the 2012-2013 academic year.

(b) The Texas Higher Education Coordinating Board shall adopt rules to administer Section 56.3011, Education Code, as added by this Act, as soon as practicable after the date this Act takes effect. For that purpose, the board may adopt the initial rules in the manner provided by law for adoption of emergency rules.