

BILL ANALYSIS

S.B. 968
By: Shapleigh
Higher Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Individual development account (IDA) programs provide matching funds for individuals' savings contributions, giving them the opportunity to build savings over a period of time. IDA savings can be used toward home ownership, small business entrepreneurship, and educational expense. While the variety of funding streams ensures the continuation of IDA programs, some eligible participants lack awareness of this savings opportunity. As proposed, S.B. 968 directs the Texas Higher Education Coordinating Board to provide information regarding IDA programs to public junior college financial aid offices in an effort to expand awareness of such programs to junior college students.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 61.0816, Education Code) of this bill.

ANALYSIS

SECTION 1. Amends Subchapter C, Chapter 61, Education Code, by adding Section 61.0816, as follows:

Sec. 61.0816. INDIVIDUAL DEVELOPMENT ACCOUNT INFORMATION PROGRAM. (a) Requires the Texas Higher Education Coordinating Board (THECB) to establish and administer a program to provide student financial aid offices at public junior colleges with information and other assistance to enable those offices to provide appropriate students of those colleges with information and referrals regarding the availability of and services offered by individual development account programs. Requires THECB to evaluate the program as necessary to determine the effectiveness of the program at increasing student awareness of and participation in individual development account programs.

(b) Authorizes THECB to adopt rules for the administration of this section.

SECTION 2. Effective date: upon passage or September 1, 2003.

EFFECTIVE DATE

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2003.

