

BILL ANALYSIS

C.S.H.B. 2041
By: Campbell
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The state's master plan for higher education, *Closing the Gaps*, calls for 600,000 more students to be educated by the year 2015. In order to accommodate this targeted growth, institutions of higher education will be required to increase its enrollments substantially.

In order to manage the growing student population in an efficient manner, the state has the opportunity to encourage students to attend institutions where there is capacity. Specifically, financial aid incentives, such as the Texas Grant Program, can be provided for students to attend universities where the infrastructure to support and the capacity to enroll exists currently.

This substitute would establish a Pilot Project to provide incentives for students to attend either Angelo State University or Sul Ross State University, both of which have the capacity to enroll more students without the need for additional facilities. The Texas Higher Education Coordinating Board would be required to establish the Pilot Project and award TEXAS grants to students who enrolls in either of the pilot project institutions and who meets all the requirements to receive a TEXAS grant.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 2. (Section 56.3012, Education Code) of this bill.

ANALYSIS

SECTION 1. Directs the Texas Higher Education Coordinating Board to set aside available money for 1,000 students at Angelo State University and 600 students at Sul Ross State University to receive TEXAS Grant awards for the 2005-2006 and 2006-2007 academic years. Requires the Texas Higher Education Coordinating Board to report and make recommendations to the 80th Legislature, no later than January 1, 2007, concerning the continuation or expansion of this project.

SECTION 2. The Texas Higher Education Coordinating Board shall adopt rules for the administration of this Act, as soon as practicable after this Act takes effect. For that purpose, the Coordinating Board may adopt the initial rules in the manner provided by law for adopting emergency rules.

SECTION 3. Effective date

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 votes necessary for immediate effect, this Act takes effect September 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute changes the section number and clarifies the language of the Act. The substitute clarifies that the money to fund this pilot project comes from money already appropriated to the TEXAS grant program. There is no additional money being requested, therefore there is no fiscal impact.

C.S.H.B. 2041 79(R)

The substitute clarifies that this program is for students enrolling for the first time at Angelo State University and at Sul Ross University, and that a qualified person who does not receive a grant through the pilot program may still apply for a TEXAS grant as a regular applicant.

The substitute adds language that allows the Coordinating Board to reallocate money not used in an academic year.