

BILL ANALYSIS

Senate Research Center

S.B. 947
By: Duncan
Finance
5/28/2007
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 1997, the 75th Legislature created the Rural Scholarship Fund to award cash scholarships to rural students pursuing post-secondary education or vocational training. The fund was financed using abandoned and unclaimed customer funds held by Texas' 50-plus rural telephone companies. However, the source of the funds is unstable and may vary over different companies for each year. The current cap on statewide aggregated funds for all rural telephone companies at \$400,000 may not accommodate for this variation.

S.B. 947 increases the cap on statewide aggregated funds for all rural telephone companies to be diverted into the Rural Scholarship Fund from \$400,000 to \$800,000.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 74.3011(g), Property Code, to prohibit the transfer of more than \$800,000, rather than \$400,000, by all local telephone exchange companies under this section (Delivery of Money to Rural Scholarship Fund), Property Code, during a state fiscal year.

SECTION 2. Effective date: September 1, 2007.