

AN ACT

relating to the eligibility of relatives of public college and university board members to receive certain scholarships; providing a criminal penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.969 to read as follows:

Sec. 51.969. ELIGIBILITY FOR SCHOLARSHIP; STATEMENT REQUIRED. (a) In this section, "institution of higher education" and "university system" have the meanings assigned by Section 61.003.

(b) A person is not eligible to receive a scholarship originating from and administered by an institution of higher education or university system if the person is related to a current member of the governing board of the institution or system, unless:

(1) the scholarship is granted by a private organization or third party not affiliated with the institution of higher education or university system;

(2) the scholarship is awarded exclusively on the basis of prior academic merit;

(3) the scholarship is an athletic scholarship; or

(4) the relationship is not within the third degree by consanguinity or the second degree by affinity, as determined under Subchapter B, Chapter 573, Government Code.

1 (c) A person applying for a scholarship originating from and
2 administered by an institution of higher education or university
3 system must file a written statement with the application
4 indicating whether the person is related within the third degree by
5 consanguinity or the second degree by affinity to a current member
6 of the governing board of the institution or system.

7 (d) The Texas Higher Education Coordinating Board shall
8 adopt rules for the administration of this section and shall
9 prescribe the statement to be used under this section. The
10 coordinating board shall notify each institution of higher
11 education and university system of the required statement and
12 applicable rules.

13 (e) A person commits an offense if the person knowingly
14 files a false statement under Subsection (c).

15 (f) An offense under Subsection (e) is a Class B
16 misdemeanor.

17 SECTION 2. (a) Not later than January 1, 2008, the Texas
18 Higher Education Coordinating Board shall prescribe the required
19 statement and adopt the rules required by Section 51.969, Education
20 Code, as added by this Act.

21 (b) Subsection (b), Section 51.969, Education Code, as
22 added by this Act, applies only to a scholarship for which a
23 scholarship application was filed on or after January 1, 2008. A
24 scholarship for which a scholarship application was filed before
25 that date is governed by the law in effect on the date the
26 application was filed, and the former law is continued in effect for
27 that purpose.

1 (c) Subsections (c), (e), and (f), Section 51.969,
2 Education Code, as added by this Act, apply only to a scholarship
3 application filed on or after January 1, 2008. A scholarship
4 application filed before that date is governed by the law in effect
5 on the date the application was filed, and the former law is
6 continued in effect for that purpose.

7 SECTION 3. This Act takes effect September 1, 2007.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1325 passed the Senate on April 16, 2007, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1325 passed the House on May 17, 2007, by the following vote: Yeas 143, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor