

1-1 By: West S.B. No. 1325  
1-2 (In the Senate - Filed March 7, 2007; March 19, 2007, read  
1-3 first time and referred to Subcommittee on Higher Education;  
1-4 April 4, 2007, reported favorably from Committee on Education by  
1-5 the following vote: Yeas 8, Nays 0; April 4, 2007, sent to  
1-6 printer.)

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to the eligibility of relatives of public college and  
1-10 university board members to receive certain scholarships;  
1-11 providing a criminal penalty.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subchapter Z, Chapter 51, Education Code, is  
1-14 amended by adding Section 51.969 to read as follows:

1-15 Sec. 51.969. ELIGIBILITY FOR SCHOLARSHIP; STATEMENT  
1-16 REQUIRED. (a) In this section, "institution of higher education"  
1-17 and "university system" have the meanings assigned by Section  
1-18 61.003.

1-19 (b) A person is not eligible to receive a scholarship  
1-20 originating from and administered by an institution of higher  
1-21 education or university system if the person is related to a current  
1-22 member of the governing board of the institution or system, unless:

1-23 (1) the scholarship is granted by a private  
1-24 organization or third party not affiliated with the institution of  
1-25 higher education or university system;

1-26 (2) the scholarship is awarded exclusively on the  
1-27 basis of prior academic merit;

1-28 (3) the scholarship is an athletic scholarship; or

1-29 (4) the relationship is not within the third degree by  
1-30 consanguinity or the second degree by affinity, as determined under  
1-31 Subchapter B, Chapter 573, Government Code.

1-32 (c) A person applying for a scholarship originating from and  
1-33 administered by an institution of higher education or university  
1-34 system must file a written statement with the application  
1-35 indicating whether the person is related within the third degree by  
1-36 consanguinity or the second degree by affinity to a current member  
1-37 of the governing board of the institution or system.

1-38 (d) The Texas Higher Education Coordinating Board shall  
1-39 adopt rules for the administration of this section and shall  
1-40 prescribe the statement to be used under this section. The  
1-41 coordinating board shall notify each institution of higher  
1-42 education and university system of the required statement and  
1-43 applicable rules.

1-44 (e) A person commits an offense if the person knowingly  
1-45 files a false statement under Subsection (c).

1-46 (f) An offense under Subsection (e) is a Class B  
1-47 misdemeanor.

1-48 SECTION 2. (a) Not later than January 1, 2008, the Texas  
1-49 Higher Education Coordinating Board shall prescribe the required  
1-50 statement and adopt the rules required by Section 51.969, Education  
1-51 Code, as added by this Act.

1-52 (b) Subsection (b), Section 51.969, Education Code, as  
1-53 added by this Act, applies only to a scholarship for which a  
1-54 scholarship application was filed on or after January 1, 2008. A  
1-55 scholarship for which a scholarship application was filed before  
1-56 that date is governed by the law in effect on the date the  
1-57 application was filed, and the former law is continued in effect for  
1-58 that purpose.

1-59 (c) Subsections (c), (e), and (f), Section 51.969,  
1-60 Education Code, as added by this Act, apply only to a scholarship  
1-61 application filed on or after January 1, 2008. A scholarship  
1-62 application filed before that date is governed by the law in effect  
1-63 on the date the application was filed, and the former law is  
1-64 continued in effect for that purpose.

2-1 SECTION 3. This Act takes effect September 1, 2007.

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