

AN ACT

relating to the student endowment scholarship and internship program fund at Texas A&M University--Corpus Christi.

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

SECTION 1. Subchapter E, Chapter 54, Education Code, is amended by adding Section 54.5395 to read as follows:

Sec. 54.5395. STUDENT ENDOWMENT FUND FEE; TEXAS A&M UNIVERSITY--CORPUS CHRISTI. (a) The board of regents of The Texas A&M University System may impose a student endowment fund fee on each student enrolled at Texas A&M University--Corpus Christi. The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held at the university under Section 56.243.

(b) The amount of the fee may not exceed \$1 per semester credit hour for each regular semester or summer session, unless the amount is increased as provided by Subsection (c).

(c) The amount of the fee may not be increased by more than 10 percent unless the increase has been approved by a majority vote of the students enrolled at the university who participate in a general student election called for that purpose.

(d) A fee imposed under this section must be used to establish a student endowment fund under Section 56.247.

(e) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining

1 the maximum amount of student services fees that may be imposed
2 under Section 54.503(b).

3 SECTION 2. Section 56.243, Education Code, is amended to
4 read as follows:

5 Sec. 56.243. ELECTION TO PARTICIPATE. A [~~Not later than~~
6 ~~September 1, 2004, a~~] general academic teaching institution may
7 elect to participate in the Student Endowment Scholarship and
8 Internship Program. For the institution to make the election, the
9 student government of the institution must determine by official
10 action that the program would benefit the institution. If the
11 student government determines that the program would benefit the
12 institution, in a general election called for that purpose a
13 majority of the students of the institution voting in the election
14 must approve an additional fee and the potential matching grant
15 from the state. If the majority approves the additional fee and
16 potential matching grant from the state, the governing board of the
17 institution shall impose and decide the structure of the additional
18 fee.

19 SECTION 3. Section 56.246, Education Code, is amended to
20 read as follows:

21 Sec. 56.246. AMOUNT OF SCHOLARSHIP OR INTERNSHIP FUNDING.
22 (a) [~~During the five-year period during which the institution may~~
23 ~~receive state matching funds, the amount of student endowment~~
24 ~~scholarship funding for an internship may not exceed \$500 per~~
25 ~~semester or summer session.~~

26 [(b)] The amount of a student endowment scholarship may not
27 exceed the amount of tuition and required fees that a student would

1 be charged by the institution.

2 (b) [~~(c)~~] The amount of student endowment internship
3 funding may not exceed the amount of tuition and required fees that
4 a student would be charged by the institution during the student's
5 period of internship.

6 (c) [~~(d)~~] On receipt of a scholarship or internship funding
7 under this subchapter, a student must comply with any applicable
8 conditions of the scholarship or internship funding.

9 SECTION 4. Subsections (a) and (c), Section 56.247,
10 Education Code, are amended to read as follows:

11 (a) Each institution shall establish a student endowment
12 fund consisting of the revenue from the additional student fee[~~7~~
13 ~~the state matching funds appropriated for the purpose,~~] and the
14 interest and other income from investment of the fund. The fund
15 shall be invested by the governing board in accordance with the
16 policies governing investment of other funds held and invested by
17 the board on behalf of the institution.

18 (c) Scholarships and internships may be paid from both the
19 income and the principal of the fund, except that after the first
20 five-year period after the date the fund is established, [~~during~~
21 ~~which state matching funds are payable, for any year~~] not more than
22 five percent of the principal of the fund may be expended for
23 scholarships and internships for any year.

24 SECTION 5. This Act applies beginning with the 2007 fall
25 semester.

26 SECTION 6. This Act takes effect September 1, 2007.

S.B. No. 1417

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1417 passed the Senate on April 26, 2007, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1417 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