

By: Hinojosa

S.B. No. 1417

A BILL TO BE ENTITLED

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 for each regular semester or summer session, unless the amount is increased as provided by Subsection (c).

(c) The amount of the fee per semester may be increased from one academic year to the next only if approved by a majority vote of the students of the university participating in a general student election held for that purpose or, if the amount of the increase does not exceed five percent, by a majority vote of the legislative body of the student government of the university.

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

1       (e) A fee imposed under this section is in addition to any  
2 other fee authorized by law and may not be considered in determining  
3 the maximum amount of student services fees that may be imposed  
4 under Section 54.503(b).

5       SECTION 2. Section 56.243, Education Code, is amended to  
6 read as follows:

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

21       SECTION 3. Section 56.246, Education Code, is amended to  
22 read as follows:

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

1           ~~[(b)]~~ The amount of a student endowment scholarship may not  
2 exceed the amount of tuition and required fees that a student would  
3 be charged by the institution.

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

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

11           SECTION 4. Sections 56.247(a) and (c), Education Code, are  
12 amended to read as follows:

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

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

26           SECTION 5. This Act applies beginning with the 2007 fall  
27 semester.

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