

1-1 By: Hinojosa S.B. No. 1417  
1-2 (In the Senate - Filed March 8, 2007; March 20, 2007, read  
1-3 first time and referred to Subcommittee on Higher Education;  
1-4 April 12, 2007, reported adversely, with favorable Committee  
1-5 Substitute from Committee on Education by the following vote:  
1-6 Yeas 6, Nays 0; April 12, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1417 By: West

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the student endowment scholarship and internship  
1-11 program fund at Texas A&M University--Corpus Christi.

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

1-13 SECTION 1. Subchapter E, Chapter 54, Education Code, is  
1-14 amended by adding Section 54.5395 to read as follows:

1-15 Sec. 54.5395. STUDENT ENDOWMENT FUND FEE; TEXAS A&M  
1-16 UNIVERSITY--CORPUS CHRISTI. (a) The board of regents of The Texas  
1-17 A&M University System may impose a student endowment fund fee on  
1-18 each student enrolled at Texas A&M University--Corpus Christi. The  
1-19 fee may not be imposed unless approved by a majority vote of the  
1-20 students participating in a general student election held at the  
1-21 university under Section 56.243.

1-22 (b) The amount of the fee may not exceed \$1 per semester  
1-23 credit hour for each regular semester or summer session, unless the  
1-24 amount is increased as provided by Subsection (c).

1-25 (c) The amount of the fee may not be increased by more than  
1-26 10 percent unless the increase has been approved by a majority vote  
1-27 of the students enrolled at the university who participate in a  
1-28 general student election called for that purpose.

1-29 (d) A fee imposed under this section must be used to  
1-30 establish a student endowment fund under Section 56.247.

1-31 (e) A fee imposed under this section is in addition to any  
1-32 other fee authorized by law and may not be considered in determining  
1-33 the maximum amount of student services fees that may be imposed  
1-34 under Section 54.503(b).

1-35 SECTION 2. Section 56.243, Education Code, is amended to  
1-36 read as follows:

1-37 Sec. 56.243. ELECTION TO PARTICIPATE. A [Not later than  
1-38 September 1, 2004, a] general academic teaching institution may  
1-39 elect to participate in the Student Endowment Scholarship and  
1-40 Internship Program. For the institution to make the election, the  
1-41 student government of the institution must determine by official  
1-42 action that the program would benefit the institution. If the  
1-43 student government determines that the program would benefit the  
1-44 institution, in a general election called for that purpose a  
1-45 majority of the students of the institution voting in the election  
1-46 must approve an additional fee and the potential matching grant  
1-47 from the state. If the majority approves the additional fee and  
1-48 potential matching grant from the state, the governing board of the  
1-49 institution shall impose and decide the structure of the additional  
1-50 fee.

1-51 SECTION 3. Section 56.246, Education Code, is amended to  
1-52 read as follows:

1-53 Sec. 56.246. AMOUNT OF SCHOLARSHIP OR INTERNSHIP FUNDING.  
1-54 (a) [During the five-year period during which the institution may  
1-55 receive state matching funds, the amount of student endowment  
1-56 scholarship funding for an internship may not exceed \$500 per  
1-57 semester or summer session.

1-58 [(b)] The amount of a student endowment scholarship may not  
1-59 exceed the amount of tuition and required fees that a student would  
1-60 be charged by the institution.

1-61 (b) [(c)] The amount of student endowment internship  
1-62 funding may not exceed the amount of tuition and required fees that  
1-63 a student would be charged by the institution during the student's

2-1 period of internship.

2-2 (c) [~~(d)~~] On receipt of a scholarship or internship funding  
2-3 under this subchapter, a student must comply with any applicable  
2-4 conditions of the scholarship or internship funding.

2-5 SECTION 4. Subsections (a) and (c), Section 56.247,  
2-6 Education Code, are amended to read as follows:

2-7 (a) Each institution shall establish a student endowment  
2-8 fund consisting of the revenue from the additional student fee[  
2-9 ~~the state matching funds appropriated for the purpose,~~] and the  
2-10 interest and other income from investment of the fund. The fund  
2-11 shall be invested by the governing board in accordance with the  
2-12 policies governing investment of other funds held and invested by  
2-13 the board on behalf of the institution.

2-14 (c) Scholarships and internships may be paid from both the  
2-15 income and the principal of the fund, except that after the first  
2-16 five-year period after the date the fund is established, [~~during~~  
2-17 ~~which state matching funds are payable, for any year~~] not more than  
2-18 five percent of the principal of the fund may be expended for  
2-19 scholarships and internships for any year.

2-20 SECTION 5. This Act applies beginning with the 2007 fall  
2-21 semester.

2-22 SECTION 6. This Act takes effect September 1, 2007.

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