

SENATE AMENDMENTS

2nd Printing

By: Lucio III, Guillen, Leibowitz, Herrero

H.B. No. 2383

A BILL TO BE ENTITLED

AN ACT

relating to the provision of certain subsidies and scholarships to particular public school students or graduates.

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

SECTION 1. Subchapter F, Chapter 29, Education Code, is amended by adding Section 29.190 to read as follows:

Sec. 29.190. SUBSIDY FOR CERTIFICATION EXAMINATION. (a) A student is entitled to a subsidy under this section if the student:

(1) successfully completes the career and technology program of a school district in which the student receives training and instruction for employment in a certain trade or occupation;

(2) passes a certification examination to qualify for a license or certificate for the trade or occupation; and

(3) demonstrates financial need.

(b) The commissioner shall adopt guidelines for determining financial need consistent with the definition of financial need adopted by the College Board and Education Testing Service.

(c) On approval by the commissioner, the agency shall pay each eligible student an amount equal to the cost paid by the student for the certification examination. To obtain a subsidy under this section, a student must:

(1) pay the fee for the examination; and

(2) submit to the commissioner a written application on a form prescribed by the commissioner demonstrating financial

1 need and the amount of the fee paid by the student for the
2 certification examination.

3 (d) The commissioner may adopt rules as necessary to
4 implement this section.

5 SECTION 2. Section 56.203, Education Code, is amended by
6 amending Subsection (a) and adding Subsection (e) to read as
7 follows:

8 (a) To be eligible for an award through the Early High
9 School Graduation Scholarship program, a person must:

10 (1) have graduated from a public high school in this
11 state:

12 (A) in not more than 41 consecutive months and
13 successfully completed the recommended or advanced high school
14 program established under Section 28.025, if the person graduated
15 on or after September 1, 2005;

16 (B) in not more than 45 consecutive months, with
17 at least 30 hours of college credit, and successfully completed the
18 recommended or advanced high school program established under
19 Section 28.025, if the person graduated on or after September 1,
20 2005; or

21 (C) in not more than 36 consecutive months after
22 successfully completing the requirements for a high school diploma,
23 if the person graduated before September 1, 2005, regardless of
24 whether the person successfully completed the recommended or
25 advanced high school program established under Section 28.025; and

26 (2) have attended [~~high school exclusively in~~] one or
27 more public high schools in this state for the majority of time the

1 person attended high school~~[, and~~

2 ~~[(3) be a Texas resident as defined by coordinating~~
3 ~~board rule].~~

4 (e) The coordinating board shall adopt rules for
5 determining whether a person attended public high school in this
6 state as required by Subsection (a)(2).

7 SECTION 3. The changes in law made by this Act to Section
8 56.203, Education Code, apply only to a student who graduates from a
9 public high school in this state on or after the effective date of
10 this Act. A student who graduates from a public high school in this
11 state before the effective date of this Act and the student's
12 eligibility to participate in the Early High School Graduation
13 Scholarship program is governed by the law in effect immediately
14 before the effective date of this Act, and the former law is
15 continued in effect for that purpose.

16 SECTION 4. This Act applies beginning with the 2007-2008
17 school year.

18 SECTION 5. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section 39, Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2007.

FLOOR AMENDMENT NO. 1

ADOPTED

BY:
MAY 23 2007

Shapleigh

Lacey Spaw
Secretary of the Senate

1 Amend H.B. No. No. 2383 (senate committee printing)
2 immediately following SECTION 1 of the bill (page 1, between
3 lines 38 and 39), by inserting the following appropriately
4 numbered SECTION and renumbering the subsequent SECTIONS
5 accordingly:

6 SECTION __. Section 42.152, Education Code, is amended by
7 adding Subsections (s), (s-1), (s-2), and (s-3) to read as
8 follows:

9 (s) In addition to the allotment provided under Subsection
10 (a), a school district is entitled to an annual allotment equal
11 to \$650:

12 (1) for each student in average daily attendance who
13 has a parent or guardian who is serving on active duty in a
14 combat zone as a member of the armed forces of the United
15 States; and

16 (2) for each student in average daily attendance who:

17 (A) has a parent or guardian serving on active
18 duty as a member of the armed forces of the United States; and

19 (B) has transferred to a campus in the district
20 during the school year as a result of a change in residence
21 because of an action taken under the Defense Base Closure and
22 Realignment Act of 1990 (10 U.S.C. Section 2687).

23 (s-1) Notwithstanding any other provision of this section,
24 a school district may use funds allotted to the district under
25 Subsection (s) only to provide supplemental programs and
26 services described by Subsection (c) for students described by
27 Subsection (s) who are enrolled in the district.

28 (s-2) The amount appropriated for allotments under

1 Subsection (s) may not exceed \$9.9 million in a school year. If
2 the total amount of allotments to which districts are entitled
3 under Subsection (s) for a school year exceeds the amount
4 appropriated for allotments under that subsection, the
5 commissioner shall reduce each district's allotment under that
6 subsection proportionately.

7 (s-3) Subsections (s), (s-1), (s-2), and this subsection
8 expire September 1, 2012.

ADOPTED

MAY 23 2007

FLOOR AMENDMENT NO

2

Antony D'Amico
Secretary of the Senate

BY:

[Signature]

1 Amend H.B. No. 2383 in SECTION 2 of the bill, in Paragraph
2 (B), Subdivision (1), Subsection (a), of amended Section 56.203,
3 Education Code (senate committee printing, page 1, line 50), by
4 striking "45 consecutive months" and substituting "46 [~~45~~]
5 consecutive months".

ADOPTED

MAY 23 2007

John S. Brown
Secretary of the Senate

FLOOR AMENDMENT NO. 3

BY: *Engino / Lucio*

1 Amend H.B. No. 2383 (senate committee report) as follows:

2 (1) In SECTION 2 of the bill, in amended Subdivision (2),
3 Subsection (a), Section 56.203, Education Code (page 1, line 62),
4 strike "~~and~~" and substitute "; and".

5 (2) In SECTION 2 of the bill, in amended Subdivision (3),
6 Subsection (a), Section 56.203, Education Code (page 2, line 1),
7 strike "~~(3) be a Texas resident as defined by coordinating board~~
8 ~~rule]."~~ and substitute "(3) be a citizen of the United States or
9 otherwise lawfully authorized to be present in the United States
10 ~~[Texas resident as defined by coordinating board rule]."~~

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 18, 2007

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2383 by Lucio III (relating to the provision of certain subsidies and scholarships to particular public school students or graduates.), **Committee Report 2nd House, As Amended**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2383, Committee Report 2nd House, As Amended: a negative impact of (\$788,606) through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$396,803)
2009	(\$391,803)
2010	(\$391,803)
2011	(\$391,803)
2012	(\$391,803)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Change in Number of State Employees from FY 2007
2008	(\$396,803)	1.0
2009	(\$391,803)	1.0
2010	(\$391,803)	1.0
2011	(\$391,803)	1.0
2012	(\$391,803)	1.0

Fiscal Analysis

The bill would entitle a student to reimbursement for the cost of a certification examination upon completion of a school district's career and technology program in which a student receives instruction for employment in a certain trade or occupation if the student passes the examination and demonstrates financial need.

Methodology

Based upon information submitted to the Texas Education Agency (TEA) by local school districts, approximately 14,000 students earned industry certifications in 2005-2006.

In establishing financial need, the College Board uses the federal guidelines for eligibility to participate in the national free and reduced meal program. Forty eight percent of students enrolled in career and technology programs would be considered eligible for financial need based upon these guidelines. It is estimated that 6,748 students could be eligible to apply for subsidies each year.

It is difficult to estimate the cost because of the very wide variation in certification costs. Many computer certifications are available for around \$100 an exam. Assuming for purposes of this estimate that the amount of the subsidy would be \$100 per exam and that half the eligible population would apply for the subsidy, the estimated cost of providing the subsidies would be \$337,500 per year. If a larger proportion of eligible students applied, actual costs may be higher.

TEA estimates that one FTE would be required to administer the program at an annual cost of about \$55,000.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission, 701 Central Education Agency

LBB Staff: JOB, JSp, UP, JSc

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 16, 2007

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2383 by Lucio III (Relating to the provision of certain subsidies and scholarships to particular public school students or graduates.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2383, As Engrossed: a negative impact of (\$788,606) through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

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Fiscal Analysis

The bill would entitle a student to reimbursement for the cost of a certification examination upon completion of a school district's career and technology program in which a student receives instruction for employment in a certain trade or occupation if the student passes the examination and demonstrates financial need.

The bill would amend an eligibility provision of the Early High School Graduation Scholarship Program that currently requires a student to have attended high school exclusively in one or more public high schools in Texas. The bill would continue to require that a student graduate from a public high school in Texas but would extend eligibility to include students who have attended one or more Texas high schools for the majority of their high school enrollment. The Texas Higher Education Coordinating Board indicates that of 239,716 graduates in fiscal year 2005, 4,272 or 1.78% received

awards through the program with an average award of \$1,176. The Board estimates that an additional .05% of graduates or about 120 students would receive awards under the provisions of the bill. Using the same average award of \$1,176 would result in an additional \$141,120 awarded per year which is not significant to the overall appropriation for the program. The program is financed through transfers from the Foundation School Fund, with an estimated appropriation of \$8.6 million for the 2006-2007 biennium.

Methodology

Based upon information submitted to the Texas Education Agency (TEA) by local school districts, approximately 14,000 students earned industry certifications in 2005-2006.

In establishing financial need, the College Board uses the federal guidelines for eligibility to participate in the national free and reduced meal program. Forty eight percent of students enrolled in career and technology programs would be considered eligible for financial need based upon these guidelines. It is estimated that 6,748 students could be eligible to apply for subsidies each year.

It is difficult to estimate the cost because of the very wide variation in certification costs. Many computer certifications are available for around \$100 an exam. Assuming for purposes of this estimate that the amount of the subsidy would be \$100 per exam and that half the eligible population would apply for the subsidy, the estimated cost of providing the subsidies would be \$337,500 per year. If a larger proportion of eligible students applied, actual costs may be higher.

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Source Agencies: 320 Texas Workforce Commission, 701 Central Education Agency

LBB Staff: JOB, JSp, UP, JSc

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 9, 2007

TO: Honorable Rob Eissler, Chair, House Committee on Public Education

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB2383** by Lucio III (Relating to the provision to certain public school students of a subsidy to pay the costs of a trade or occupation certification examination.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2383, As Introduced: a negative impact of (\$788,606) through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

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