

By: Gallegos

S.B. No. 2186

A BILL TO BE ENTITLED

AN ACT

relating to a reporting requirement for certain nonprofit corporations that award college scholarships.

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

SECTION 1. The heading to Subchapter B, Chapter 22, Business Organizations Code, is amended to read as follows:

SUBCHAPTER B. PURPOSES, ~~AND~~ POWERS, AND DUTIES

SECTION 2. Subchapter B, Chapter 22, Business Organizations Code, is amended by adding Section 22.058 to read as follows:

Sec. 22.058. COLLEGE SCHOLARSHIP AWARD REPORTING REQUIREMENT FOR CERTAIN CORPORATIONS; ONLINE DATABASE. (a) This section applies only to a nonprofit corporation that:

(1) is described by Section 501(c)(3), Internal Revenue Code of 1986;

(2) had total gross revenues of \$50 million or more in the preceding calendar year; and

(3) in the preceding calendar year awarded one or more scholarships or other similar grants of financial aid that were awarded to pay all or part of the recipient's cost of education at a public or private institution of higher education.

(b) On or before May 1, a nonprofit corporation to which this section applies shall submit to the secretary of state a report regarding the scholarships and other similar grants of financial aid described by Subsection (a)(3) that were awarded by the

1 corporation during the preceding calendar year. The report must  
2 include:

3 (1) the total number and amount of scholarships or  
4 other grants awarded;

5 (2) the amount awarded to each scholarship or other  
6 grant recipient;

7 (3) the name, address, ethnicity, and age of each  
8 recipient; and

9 (4) the name and location of the high school or other  
10 school each recipient attended when the award was made and the name  
11 of the college or university the recipient attends or plans to  
12 attend, if known.

13 (c) The secretary of state shall:

14 (1) prescribe a form for use by nonprofit corporations  
15 under this section; and

16 (2) establish and post on the office of the secretary  
17 of state's Internet website a searchable database containing a  
18 compilation of the information reported under this section.

19 (d) The secretary of state may adopt rules as necessary to  
20 implement this section.

21 SECTION 3. This Act takes effect September 1, 2009.