

BILL ANALYSIS

Senate Research Center

S.B. 1734
By: Paxton
Higher Education
4/15/2019
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas Guaranteed Tuition Plan (TGTP) scholarship accounts are were funded by donations to the Texas Prepaid Tuition Scholarship Foundation (TPTSF). TPTSF awarded all but \$2,741 almost 15 years ago and has been dormant ever since and the TGTP was closed to new enrollment in 2003. Some of the scholarship accounts have not been used and have reached or are reaching the statutorily required 10-year termination deadline. When the accounts terminate, the refund goes back to the dormant TPTSF. TPTSF had cash in Treasury of \$17,764.12 as of August 31, 2018. Additional accounts, totaling approximately \$15,600 will likely be terminated in June 2019 and refunded to the dormant TPTSF.

The bill would authorize the comptroller of public accounts of the State of Texas to dissolve the TPTSF and allow all unobligated funds held by or refunded to TPTSF to be transferred to the Texas Match the Promise Foundation (TMPF) to fund scholarships in the Texas Tuition Promise Fund, the state's newest prepaid tuition plan, under the Texas Save and Match Program established by Subchapter I, Chapter 54, Education Code.

As proposed, S.B. 1734 amends current law relating to the dissolution of a non-profit direct-support organization.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 54.633, Education Code, by adding Subsection (n), as follows:

(n) Authorizes the comptroller of public accounts of the State of Texas (comptroller), if the comptroller determines that the purpose of a direct-support organization established under Subsection (e) (relating to authorizing the Prepaid Higher Education Tuition Board to establish a direct-support organization under the Texas Non-Profit Corporation Act to perform certain tasks) has been substantially complied with, to dissolve the organization. Requires the title to all funds and properties then owned by the organization, on dissolution, to transfer to the Texas Match the Promise Foundation.

SECTION 2. Effective date: September 1, 2019.