Chapter 555

S.B. No. 1417

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

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

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

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

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

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

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

Sec. 56.246. AMOUNT OF SCHOLARSHIP OR INTERNSHIP FUNDING.

(a) [During the five-year period during which the institution may
receive state matching funds, the amount of student endowment
scholarship funding for an internship may not exceed $500 per
semester or summer session.

[+4+] The amount of a student endowment scholarship may not
exceed the amount of tuition and required fees that a student would
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be charged by the institution.

(b) [←\(\rightarrow\)] The amount of student endowment internship
funding may not exceed the amount of tuition and required fees that
a student would be charged by the institution during the student's
period of internship.

(c) [←\(\rightarrow\)] On receipt of a scholarship or internship funding
under this subchapter, a student must comply with any applicable
conditions of the scholarship or internship funding.

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

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

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

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

SECTION 6. This Act takes effect September 1, 2007.
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David Dewhurst  
President of the Senate

I hereby certify that S.B. No. 1417 passed the Senate on April 26, 2007, by the following vote: Yeas 31, Nays 0.

J. B. Pritzker  
Speaker of the House

I hereby certify that S.B. No. 1417 passed the House on May 17, 2007, by the following vote: Yeas 143, Nays 0, two present not voting.

Karen Stovall  
Secretary of the Senate

Robert H. Perry  
Chief Clerk of the House

Approved:

15 Jun 07  
Date

Rick Perry  
Governor

Filed in the office of the Secretary of State  
4:00 P.M., June 11, 2007

Rogelio P. Solis  
Secretary of State

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