

SUBJECT: Establishing the T-STEM Challenge Scholarship program

COMMITTEE: Higher Education — committee substitute recommended

VOTE: 6 ayes — Branch, Castro, Alonzo, Bonnen, Lewis, Patrick

1 nay — Brown

2 absent — D. Howard, Johnson

SENATE VOTE: On final passage, May 6 — 28-2 (Nelson, Ogden)

WITNESSES: No public hearing

DIGEST: CSSB 1729 would establish the Texas Science, Technology, Engineering, and Mathematics (T-STEM) Challenge Scholarship Program. The Texas Higher Education Coordinating Board would establish and administer the program for students that met certain eligibility requirements. For the initial award, a student would have to:

- graduate from high school with a grade point average of at least 3.0 on a four-point scale in mathematics and science courses;
- enroll in a STEM program at an eligible institution; and
- agree to work no more than 15 hours a week for a business that participated in the STEM program.

To continue to qualify for the scholarship, a student would have to:

- remain enrolled in a STEM program at an eligible institution;
- maintain an overall grade point average of at least 3.0 on a four-point scale;
- complete at least 80 percent of all semester credit hours attempted for each semester;
- complete at least 30 semester credit hours per academic year; and
- work no more than 15 hours a week for a business that participated in the STEM program.

No student could receive scholarships for more than two academic years.

To participate in the program, an institution would have to be a public or private junior college or public technical institute, admit at least 50 students into a STEM program each academic year, and develop partnerships with business and industry to identify local employment needs in the STEM fields and provide part-time employment for students enrolled in a STEM program.

To maintain eligibility, beginning with the second year following implementation of a scholarship program, an institution would have to demonstrate to the coordinating board that at least 70 percent of the institution's T-STEM Challenge Scholarship graduates, within three months after graduation, were:

- employed by a business in a science, technology, engineering, and math (STEM) field; or
- enrolled in upper-division courses leading to a baccalaureate degree in a STEM field.

The bill would stipulate that, subject to available funding, the coordinating board would have to award scholarships with at least 50 percent of the amount awarded from private funds. The board could use any available revenue and could solicit and accept gifts and grants for the program.

An eligible student could receive a scholarship for up to two academic years. The scholarship awards would begin with the 2011-2012 academic year.

The bill would take effect September 1, 2011.

**SUPPORTERS
SAY:**

The bill would establish the Texas Science, Technology, Engineering, and Mathematics (T-STEM) Challenge Scholarship Program for eligible students attending eligible two-year institutions. The purpose of the program would be to encourage students to enroll in STEM programs administered by lower-division postsecondary institutions in partnership with business and industry in order to address local employment needs in these areas.

There is a critical need for more STEM graduates in Texas. CSSB 1729 would be a strong step in the right direction for the state.

Institutions would remain eligible for scholarship funding as long as 70 percent of the scholarship students were employed by a STEM business or were enrolled in upper-division courses leading to a bachelor's degree in a STEM field.

**OPPONENTS
SAY:**

While the goals of the bill are laudable, now is not the time to establish a new scholarship program, especially when the state is cutting back on funding for higher education and student financial aid.

NOTES:

The House committee substitute differs from the Senate-passed version by authorizing the coordinating board to use any available revenue and to solicit and accept gifts and grants for the program, whereas the Senate-passed version authorized the coordinating board to use any available revenue, including legislative appropriations, and to solicit and accept gifts and grants for the program.

According to the fiscal note, the bill would cost \$280,000 each year starting in fiscal 2013, if fully funded.