Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 29.908, Education Code, is amended by amending Subsections (c) and (d) and adding Subsections (e), (f), and (g) to read as follows:

(c) A student participating in the program is entitled to the benefits of the Foundation School Program in proportion to the amount of time spent by the student on high school courses, in accordance with rules adopted by the commissioner, while completing the course of study established by the applicable articulation agreement under Subsection (b)(3).

(d) The commissioner may accept gifts, grants, and donations from any source, including private and nonprofit organizations. Private and nonprofit organizations that contribute to the fund shall receive an award under Section 7.113 to pay any costs not covered by the student’s Foundation School Program benefits.

(e) The commissioner shall collaborate with the Texas Workforce Commission and the Texas Higher Education Coordinating Board to develop and implement a strategic plan to enhance private industry participation under this section. The plan must include:

(1) strategies to increase private industry participation; and

(2) incentives for businesses and nonprofit organizations that choose to make donations and work with high schools that participate in a program under this section to maximize job placement opportunities for program graduates.

(f) Not later than December 1, 2014, the commissioner shall provide a report that summarizes the strategic plan developed under Subsection (e) to the lieutenant governor, the speaker of the house of representatives, the governor, the Texas Workforce Commission, and the Texas Higher Education Coordinating Board. The Texas Education Agency, the Texas Workforce Commission, and the Texas Higher Education Coordinating Board shall each make the report available on the respective agency’s Internet website.

(g) The commissioner may adopt rules as necessary to administer the program. The rules may provide for giving preference in receiving program benefits to a student who is in the first generation of the student’s family to attend college and may establish other distinctions or criteria based on student need. The commissioner shall consult the Texas Higher Education Coordinating Board in administering the program. The Texas Higher Education Coordinating Board may adopt rules as necessary to exercise its powers and duties under this section. The P-16 Council may make recommendations, including recommendations for rules, concerning administration of the program.

SECTION 2. This Act takes effect September 1, 2013.

Passed the Senate on April 25, 2013: Yeas 30, Nays 0; passed the House on May 22, 2013: Yeas 145, Nays 3, two present not voting.

Approved June 14, 2013.

Effective June 14, 2013.