

## **BILL ANALYSIS**

Senate Research Center  
78R1543 JRJ-D

H.B. 1882  
By: Deshotel (Lucio)  
Education  
4/29/2003  
Engrossed

### **DIGEST AND PURPOSE**

Under Subchapter K, Chapter 56 (Early High School Graduation Scholarship Program), Education Code, a high school student who graduates within 36 month or less is eligible to receive a grant of \$1,000 toward tuition at any Texas public private or private institution of higher education that will match the award. The program is funded entirely by the savings generated by students who graduate early from the public school system. Approximately 4,000 early graduates per year, out of an estimated 215,000 total graduates, take advantage of this program. H.B. 1882 amends the Education Code to change the rules of eligibility for the Early High School Graduation Scholarship and offer more financial assistance to eligible students.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Higher Education Board in SECTION 2 (Section 56.203, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 56.202, Education Code, as follows:

- (a) Establishes that the Early High School Graduation Scholarship program is created to increase efficiency in the Foundation School Program and to provide assistance for tuition and mandatory fees to an eligible person to enable that person to attend a Texas public or private institution of higher education.
- (b) Provides that a portion of the savings to the Foundation School Program that occur as a result of the program is dedicated to state credits for tuition and mandatory fees provided to an eligible person under the program. Makes a conforming and nonsubstantive change.

SECTION 2. Amends Section 56.203, Education Code, as follows:

- (a) Requires a person to meet certain requirements in order to be eligible for the Early High School Graduation scholarship program.
- (b) Provides that person's eligibility for the Early High School Graduation Scholarship program ends on the sixth anniversary of the date that the person first becomes eligible to participate in the program, unless the person is provided additional time to participate in the program under Subsection (c).
- (c) Requires the Texas Higher Education Coordinating Board (THECB) to adopt rules to provide a person who is otherwise eligible to participate in the Early High School Graduation Scholarship program additional time to use a state credit for tuition and mandatory fees under the program. Requires the rules to require a person seeking an extension under this subsection to show hardship or other good cause that prevents the person from enrolling in or continuing enrollment in an eligible institution during the period provided by Subsection (b). Provides that, for purposes of this subsection, hardship or other good cause includes a severe illness or other debilitating condition or responsibility for the care of a sick, injured, or needy person.

SECTION 3. Amends Section 56.204, Education Code, as follows:

- (a) Establishes that an eligible person under the Early High School Graduation Scholarship program is entitled to a state credit to pay tuition and mandatory fees, rather than \$1000 in state tuition credits, at a public or private institution of higher education in this state to certain financial amounts. Makes nonsubstantive changes.
- (b) Makes a conforming change.
- (c) No changes made to this subsection.

SECTION 4. Amends Section 56.205, Education Code, to make a conforming change.

SECTION 5. Amends Section 56.206, Education Code, as follows:

Sec. 56.206. New heading: USE OF STATE CREDIT. (a)-(c) Make conforming changes.

- (d) Authorizes an eligible person, subject to Section 56.203(b), to use the state credit for enrollment in an eligible institution of higher education during any semester or summer session, except prohibits the person's initial use of the credit from being for enrollment during any term of a summer session immediately following the person's graduation from high school.

SECTION 6. Amends the heading to Section 56.207, Education Code, to read as follows:

Sec. 56.207. PAYMENT OF STATE CREDIT.

SECTION 7. Amends Sections 56.207(a) and (b), Education Code, to make conforming changes.

SECTION 8. Amends Subchapter K, Chapter 56, Education Code, by adding Section 56.2075, as follows:

Sec. 56.2075. PAYMENT OF SCHOOL DISTRICT CREDIT. (a) Provides that a school district is entitled to a one-time credit of a certain credit amount.

- (b) Requires the commissioner of education to distribute money from the foundation school fund in an amount sufficient to pay each school district under Subsection (a).

SECTION 9. Amends Section 54.213(b), Education Code, as follows:

- (b) Requires that the savings to the foundation school fund that occur as a result of the Early High School Graduation Scholarship program created in Subchapter K, Chapter 56, and that are not required for the funding of state credits for tuition and mandatory fees under Section 56.204 or school district credits under Section 56.2075 to be used first to provide tuition exemptions under Section 54.212. Makes a conforming change.

SECTION 10. (a) Makes application of this Act prospective.

- (b) Effective date: September 1, 2003.