

BILL ANALYSIS

Senate Research Center
86R16227 MM-F

H.B. 2668
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Higher Education
5/14/2019
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas Guaranteed Tuition Plan (TGTP) scholarship accounts were funded by donations to the Texas Prepaid Tuition Scholarship Foundation (TPTSF). The foundation 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 foundation. The foundation 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 foundation.

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 the TPTSF to be transferred to the Texas Match the Promise Foundation 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 Chapter 54, Subchapter I, Education Code.

H.B. 2668 amends current law relating to the dissolution of a direct-support organization established by the Prepaid Higher Education Tuition Board and the transfer of funds related to prepaid higher education tuition scholarships to the Texas Match the Promise Foundation or a successor entity.

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) to dissolve a direct-support organization established under Subsection (e) (relating to authorizing the Texas Higher Education Coordinating Board to establish a direct-support organization) if the comptroller determines that the purpose of the organization has been substantially complied with and orders the dissolution. Provides that, on dissolution of the organization, title to all funds and property held by the organization is transferred to the Texas Match the Promise Foundation or a successor entity.

SECTION 2. Effective date: September 1, 2019.