

BILL ANALYSIS

C.S.S.B. 1094
By: Creighton
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Although certain state-sponsored prepaid tuition plans can be used to pay for tuition and expenses at a public, private, or independent institution of higher education, it has been noted that a traditional college education may not provide the best path forward to every student. There is a need to promote alternative pathways in postsecondary education by adding registered apprenticeship programs to the career training that may be funded by those plans. C.S.S.B. 1094 seeks to address this issue by authorizing benefits or tuition units purchased under the prepaid higher education tuition program or the Texas Tomorrow Fund II prepaid tuition unit undergraduate education program to be applied to a beneficiary's tuition and required fees for a registered apprenticeship program.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Prepaid Higher Education Tuition Board in SECTION 2 of this bill.

ANALYSIS

C.S.S.B. 1094 amends the Education Code to authorize any contract benefits purchased under the prepaid higher education tuition program to be applied to the payment of tuition and required fees for a registered apprenticeship program as if the apprenticeship program were a public, private, or independent institution of higher education. The bill requires the Prepaid Higher Education Tuition Board, on the purchaser's request and in accordance with statutory provisions relating to converting a prepaid tuition contract from one plan to another, to apply any existing amount of prepaid tuition contract benefits to the payment of tuition and required fees for an apprenticeship program that is registered and certified with the U. S. Department of Labor under the federal National Apprenticeship Act. The bill establishes that the board is not responsible for the payment of registered apprenticeship program tuition and required fees in excess of that amount and authorizes the board to adopt rules as necessary to implement this authorization.

C.S.S.B. 1094 makes tuition and required fees for a registered apprenticeship program eligible for payment by tuition units purchased under a contract through the prepaid tuition unit undergraduate education program funded by the Texas Tomorrow Fund II.

C.S.S.B. 1094 clarifies that statutory authority to release certain confidential records under the Texas save and match program to educational institutions at which a beneficiary may enroll or is enrolled is applicable to a medical and dental unit or a registered apprenticeship program.

The provisions of C.S.S.B. 1094 regarding the application of prepaid tuition contract benefits to a registered apprenticeship program apply to contract benefits purchased under the prepaid higher education tuition program and under the Texas Tomorrow Fund II prepaid tuition unit undergraduate education program before, on, or after the bill's effective date.

EFFECTIVE DATE

September 1, 2021.

COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 1094 may differ from the engrossed in minor or nonsubstantive ways, the following summarizes the substantial differences between the engrossed and committee substitute versions of the bill.

The substitute does not include provisions of the engrossed making apprenticeship program expenses, defined as expenses for fees, books, supplies, and equipment required for participation in a registered apprenticeship program, payable by contract benefits or tuition units purchased under an applicable prepaid tuition program. The substitute instead limits eligible expenses relating to an apprenticeship program to tuition and required fees.

The engrossed included apprenticeship program expenses as a qualified higher education expense for purposes of the higher education savings plan, whereas the substitute does not include any provisions relating specifically to that plan.

The substitute adds the specification "registered" to certain of the engrossed version's references to an apprenticeship program.

The substitute contains several nonsubstantive language updates that were not in the engrossed to standardize the inclusion of career schools and medical and dental units under the applicable programs.