SUBJECT:	Establishing the Texas Armed Services Scholarship Program
COMMITTEE:	Defense and Veterans' Affairs — favorable, without amendment
VOTE:	7 ayes — Corte, Vaught, Edwards, Maldonado, Ortiz, Pickett, C. Turner
	0 nays
	2 absent — Chavez, Farias
WITNESSES:	For — Neal Adams
	Against — None
	On — Jose Mayorga, Adjutant General's Department
DIGEST:	HB 3452 would create a Texas Armed Services Scholarship Program. The Armed Services Scholarships would be \$15,000 grants provided annually to students attending a Texas public college or university that offers a Reserve Officer Training Corps (ROTC) program.
	In order to qualify, a student would have to meet minimum college entrance requirements at a Texas public university and attend, meet, and maintain the university's satisfactory academic progress requirements. A student receiving the Armed Services Scholarship also would have to complete four years of ROTC training; graduate within five years, and upon graduation enter into either a four-year commitment with the Texas State Guard or the Texas Army or Air Force National Guard, or a contract to serve as a commissioned officer with any branch of the United States armed services; and meet the physical examination requirements of the State Guard, National Guard, or whichever armed services branch the student joined.
	The governor, the lieutenant governor, and each member of the Texas Senate and House of Representatives could appoint two qualified Armed Services Scholarship recipients each year. Any amount paid to a student for being under contract with a branch of the United States armed services would be deducted from that student's Armed Services Scholarship. If a scholarship recipient failed to maintain satisfactory academic progress,

HB 3452 House Research Organization page 2

	withdrew from the scholarship program, or failed to fulfill the recipient's service commitment for any reason other than a physical inability to meet any of those commitments, any scholarship funds the student received under the Armed Services Scholarship Program to that point would be considered a debt owed to the state.
	The Texas Higher Education Coordinating Board would be given rulemaking authority over the program and would be allowed to solicit and accept gifts, grants, and donations from any public or private source to help fund the scholarships.
	The bill would take effect September 1, 2009.
SUPPORTERS SAY:	HB 3452 would encourage students to enter ROTC programs and give them the option to join the State or National Guard, rather than being required to enter active-duty service. Just as members of the U.S. Congress can appoint students to attend the nation's service academies, member of the Legislature, along with the governor and the lieutenant governor, could name recipients of the grants. The bill also would promote membership in the State Guard, which provides assistance during hurricanes and other disasters, attract more recruits.
	Providing scholarships to students who want to serve their country or their state is a goal worthy of state funding. This bill would provide a mutual benefit to students interested in joining the active-duty military and those not interested in doing so by providing each with an option. A student who entered into a contract with the United States armed services would have that money subtracted from their Armed Services Scholarship, so it is possible that not all students would receive the full \$15,000 each year. Additionally, some of the funding could come from outside sources.
OPPONENTS SAY:	The scholarship program proposed by HB 3452 could cost the state tens of millions of dollars. Allowing each member of the Texas Senate and House of Representatives, along with the governor and the lieutenant governor, to appoint two students each could result in over 360 students receiving these scholarships every year, and granting them five years to finish their college education means that in five years there could be 1,800 students receiving \$15,000 each.

HB 3452 House Research Organization page 3

NOTES: Rep. Vaught plans to offer an amendment that would extend the Armed Services Scholarship Program to students who join ROTC programs at private higher education institutions.

The Legislative Budget Board estimates that 366 students would receive a scholarship each year if the governor, the lieutenant governor, and every member of the Texas Senate and House of Representatives made two appointments. The state costs of the scholarships are estimated to be \$5.7 million in fiscal 2010 and \$11.14 million in fiscal 2011 and would increase each year before reaching an estimated \$27.8 million in annual costs. The LBB also estimates that an additional state employee would be required to serve as an account representative for the program.