HOUSE RESEARCH ORGANIZATION I	bill digest	5/7/2007	HB 3418 Guillen, Chavez, Pickett	
SUBJECT:	Grants for student clubs that serve students at risk of dropping out			
COMMITTEE:	Public Education — favorable, without amendment			
VOTE:	8 ayes — Eissler, Zedler, Branch, Dutton, Hochberg, Mowery, Olivo, Patrick			
	0 nays	/S		
	1 absent — Delisi			
WITNESSES:	For —Ted Melina Rabb, Texas Federation of Teachers; Thelma Salinas, Corpus Christi ISD; Gerald Young, Agriculture Teachers Association of Texas; ( <i>Registered, but did not testify</i> : Amy Beneski, Texas Association of School Administrators; Rebecca Flores, Houston ISD; Terry Green, Family and Consumer Sciences Teachers Association; Lindsay Gustafson, Texas Classroom Teachers Association; Bill Hammond, Texas Association of Business; Linda Holcombe, Texas Industrial Vocational Association; Elena Lincoln, Association of Texas Professional Educators (ATPE); Martin Peña, South Texas Assoc of Schools; Julie Shields, Texas Association of School Boards; Amy Tripp, Texans Care for Children)			
	Against — None	t — None		
	On —Emmanuel Gar	cia, Texas Center for Edu	ucation Policy	
BACKGROUND:	schools fail to gradua This creates enormou a whole. Students wh employment in the m	te about 35 percent of the students the	nemselves and for society as chool are ill equipped for percent of inmates in	
	Education Code, sec. 29.081 contains a definition of a "student at risk of dropping out of school." This applies to students under age 21 who meet a number of criteria, including failure to advance to the next grade level for one or more school years, poor grades and unsatisfactory scores on assessment tests, evidence of serious disciplinary problems, limited English proficiency, pregnancy and/or parenthood, and other factors.			

## HB 3418 House Research Organization page 2

DIGEST: HB 3418 would add Education Code, sec. 29.095 to require the commissioner of education to administer a pilot program to provide grants to school districts to fund student club activities for students at risk of dropping out of school.

The commissioner could award a grant of \$5,000 or less per district per school year on behalf of a student club at a high school campus at which at least 60 percent of students were identified as students at risk for dropping out of school. A grant could be awarded to more than one student club at a campus in the same academic year. The cost of the program could not exceed \$5 million in any state fiscal biennium.

The commissioner would establish application criteria for receipt of a grant under the program, including:

- a description of the student club;
- a statement of the student club's goals, intent and activities;
- a statement of the source of funds to be used to match the grant;
- a budget for the student club and a statement showing that the club's finances were sustainable; and
- any other information required by the commissioner.

A grant awarded under the program would have to be matched by an equal amount of other state, federal, or local funds, including donations from local businesses and community organizations. To be eligible for a grant, the student club and the club's sponsor would have to be sanctioned by the campus and district.

A student club could use grant funds to support academic or co-curricular club activities, other than athletics, in which at least 50 percent of the participating students were drop-out risks. Funds could be used for materials, sponsor stipends, and other needs that directly support the club's activities. No more than 50 percent of a grant could be used to pay sponsor stipends.

The commissioner would establish a grant agreement to be signed by the sponsor of a student club receiving a grant and another authorized school district officer. It would require the district and club to participate in an evaluation, as determined by the commissioner, of the club's program and the program's effect on student achievement and dropout rates. At the end of the school year, a student club that received a grant would be required

## HB 3418 House Research Organization page 3

to submit a report to the school district board of trustees summarizing the club's activities and the extent to which it met its goals.

The bill would take place September 1, 2007.

NOTES: According to the Legislative Budget Board, HB 3418 would cost \$5.5 million in general revenue-related funds in fiscal 2008-09. Approximately \$383,000 above the cost of funding the grants would pay for three FTEs at the Texas Education Agency, and the program evaluation would cost an estimated \$150,000 in fiscal 2009.

The companion bill, SB 1515 by West, has been referred to the Senate Education Committee.