

Amend SB 286 on third reading by adding the following appropriately numbered SECTION and renumbering the other SECTIONS of the bill accordingly:

SECTION 1. Chapter 56, Education Code, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. DOCTORAL INCENTIVE LOAN REPAYMENT PROGRAM

Sec. 56.091. ESTABLISHMENT; ADMINISTRATION. (a) The Texas Higher Education Coordinating Board shall establish and administer the doctoral incentive loan repayment program as provided by this subchapter and shall adopt rules as necessary to administer the program.

(b) The purpose of the doctoral incentive loan repayment program is to provide education loan repayment assistance to individuals from groups that are underrepresented among the faculty and administration of public and independent institutions of higher education in this state to increase the number of individuals from those underrepresented groups among the faculty and administration of public and independent institutions of higher education in this state.

(c) For purposes of this subchapter, an individual is from a group that is underrepresented among the faculty and administration of public and independent institutions of higher education in this state if:

(1) the individual was from a low socioeconomic background while pursuing the individual's undergraduate education; or

(2) when the individual graduated from high school the individual resided in an area from which a disproportionately low number of high school graduates enrolled in postsecondary educational institutions.

Sec. 56.092. ELIGIBILITY. To be eligible for loan repayment assistance under the doctoral incentive loan repayment program, an individual must:

(1) be employed as a full-time faculty or administration member in a public or independent institution of higher education in this state for at least one year;

(2) be a Texas resident;

(3) be from a group that is underrepresented among the faculty and administration of public and independent institutions of higher education in this state;

(4) have qualified for student financial aid based on financial need while enrolled in a graduate-level degree program; and

(5) comply with any other requirements adopted by the coordinating board for the effective administration of the program.

Sec. 56.093. ELIGIBLE LOANS. The coordinating board may provide repayment assistance under the doctoral incentive loan repayment program for the payment of any education loan received by an eligible individual through any lender.

Sec. 56.094. LOAN REPAYMENT ASSISTANCE. (a) The coordinating board may provide assistance in the repayment of an eligible loan to an eligible individual in the amounts and under the terms the coordinating board considers appropriate to further the purposes of the doctoral incentive loan repayment program and the best interests of this state.

(b) An individual may receive loan repayment assistance under the doctoral incentive loan repayment program in a total amount not to exceed \$100,000.

Sec. 56.095. FUNDING; LIMITATION ON FUNDING. (a) The doctoral incentive loan repayment program may be funded only from a source provided by this section. The total amount of loan repayment assistance paid under the program may not exceed the amount of money available for the program under this section.

(b) Each institution of higher education shall set aside a portion of the tuition collected from each student enrolled in a doctoral degree program, other than a law or health professional degree program, equal to \$2 for each semester credit hour for which the student is enrolled. The amount set aside shall be transferred to the comptroller to be maintained in the state treasury for the sole purpose of repayment of student loans of individuals employed as faculty and administrators at institutions of higher education in this state as provided by this subchapter. The money may be used only to provide loan repayment under this subchapter and to cover the costs of administering this subchapter.

(c) The coordinating board may solicit and accept gifts and grants from any public or private source for the purposes of the doctoral incentive loan repayment program.

Sec. 56.096. INITIAL IMPLEMENTATION (a) The board shall provide loan repayments under this subchapter beginning with the 2004-2005 academic year.

(b) The board shall adopt the initial rules for awarding loan repayment under this subchapter as soon as practicable after this subchapter becomes law. The board may adopt those initial rules in the manner provided by law for emergency rules

(c) This section expires January 1, 2006.