

BILL ANALYSIS

C.S.H.B. 2977
By: Chavez
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, the master plan for Texas higher education, "Closing the Gaps," calls for colleges and universities to make extra efforts in recruiting, retaining, and graduating new students, providing quality instruction and adding additional faculty and staff to meet current growth and the projected growth for the next five to ten years. As proposed, CSHB 2977 establishes a loan program for Texas residents from under-represented groups to pursue doctoral degrees and enter the faculty and administration of Texas institutions of higher education. The bill provides that upon completion of such a doctorate, the loan is forgiven at the rate of 20 percent for each consecutive year of service teaching or working at a Texas college or university.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 56.091 and Section 56.094, Education Code) of this bill.

ANALYSIS

CSHB 2977 amends Chapter 56, Education Code, by adding Subchapter F, to establish the Doctoral Incentive Program. The bill provides that the Texas Higher Education Coordinating Board shall establish and administer the program and shall adopt rules as necessary to administer the program. The bill provides that the purpose of the 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.

CSHB 2977 provides that 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 the individual satisfies at least two of the following criteria:

- (1) the individual was from a low socioeconomic background while pursuing the individual's undergraduate education;
- (2) the individual attended high school in an area with a high school dropout rate significantly greater than the state average; or
- (3) 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.

CSHB 2977 provides to be eligible for loan repayment assistance under the program, an individual must:

- (1) enter into an agreement with the coordinating board to pursue full-time employment as a member of the faculty or administration of a public or independent institution of higher education in this state;
- (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; and
(4) comply with any other requirements adopted by the coordinating board for the effective administration of the program

CSHB 2977 provides that the coordinating board may provide repayment assistance under the program for the repayment of any education loan received by an eligible individual through any lender.

EFFECTIVE DATE

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2003.

COMPARISON OF ORIGINAL TO SUBSTITUTE

CSHB 2977 modifies the original to provide that Doctoral Incentive Program is a loan repayment program, rather than one that guarantees and forgives loans. The substitute modifies the eligibility requirements to conform to existing requirements provided for by the Texas Higher Education Coordinating Board.