

By: Van de Putte

S.B. No. 722

A BILL TO BE ENTITLED

AN ACT

1
2 relating to providing education loan repayment assistance to
3 encourage certain individuals to pursue careers in the faculty or
4 administration of institutions of higher education.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

8 SUBCHAPTER F. DOCTORAL INCENTIVE LOAN REPAYMENT PROGRAM

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

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

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

1 state if:

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

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

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

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

15 (2) be a Texas resident;

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

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

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

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

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

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

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

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

26 (c) The coordinating board may solicit and accept gifts and
27 grants from any public or private source for the purposes of the

1 doctoral incentive loan repayment program.

2 SECTION 2. This Act takes effect immediately if it receives
3 a vote of two-thirds of all the members elected to each house, as
4 provided by Section 39, Article III, Texas Constitution. If this
5 Act does not receive the vote necessary for immediate effect, this
6 Act takes effect September 1, 2003.

7 SECTION 3. (a) The Texas Higher Education Coordinating
8 Board shall award loan repayments under the doctoral incentive loan
9 repayment program established under Subchapter F, Chapter 56,
10 Education Code, as added by this Act, beginning with the 2004 fall
11 semester.

12 (b) The Texas Higher Education Coordinating Board shall
13 adopt the initial rules for awarding loans under the doctoral
14 incentive loan repayment program established under Subchapter F,
15 Chapter 56, Education Code, as added by this Act, as soon as
16 practicable after the effective date of this Act. The coordinating
17 board may adopt those initial rules in the manner provided by law
18 for emergency rules.