

1-1 By: Van de Putte S.B. No. 722
1-2 (In the Senate - Filed February 26, 2003; March 3, 2003,
1-3 read first time and referred to Committee on Education;
1-4 May 13, 2003, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 7, Nays 0; May 13, 2003,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 722 By: Van de Putte

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to providing education loan repayment assistance to
1-11 encourage certain individuals to pursue careers in the faculty or
1-12 administration of institutions of higher education.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Chapter 56, Education Code, is amended by adding
1-15 Subchapter F to read as follows:

1-16 SUBCHAPTER F. DOCTORAL INCENTIVE LOAN REPAYMENT PROGRAM

1-17 Sec. 56.091. ESTABLISHMENT; ADMINISTRATION. (a) The
1-18 Texas Higher Education Coordinating Board shall establish and
1-19 administer the doctoral incentive loan repayment program as
1-20 provided by this subchapter and shall adopt rules as necessary to
1-21 administer the program.

1-22 (b) The purpose of the doctoral incentive loan repayment
1-23 program is to provide education loan repayment assistance to
1-24 individuals from groups that are underrepresented among the faculty
1-25 and administration of public and independent institutions of higher
1-26 education in this state to increase the number of individuals from
1-27 those underrepresented groups among the faculty and administration
1-28 of public and independent institutions of higher education in this
1-29 state.

1-30 (c) For purposes of this subchapter, an individual is from a
1-31 group that is underrepresented among the faculty and administration
1-32 of public and independent institutions of higher education in this
1-33 state if:

1-34 (1) the individual was from a low socioeconomic
1-35 background while pursuing the individual's undergraduate
1-36 education; or

1-37 (2) when the individual graduated from high school the
1-38 individual resided in an area from which a disproportionately low
1-39 number of high school graduates enrolled in postsecondary
1-40 educational institutions.

1-41 Sec. 56.092. ELIGIBILITY. To be eligible for loan
1-42 repayment assistance under the doctoral incentive loan repayment
1-43 program, an individual must:

1-44 (1) be employed as a full-time faculty or
1-45 administration member in a public or independent institution of
1-46 higher education in this state for at least one year;

1-47 (2) be a Texas resident;

1-48 (3) be from a group that is underrepresented among the
1-49 faculty and administration of public and independent institutions
1-50 of higher education in this state;

1-51 (4) have qualified for student financial aid based on
1-52 financial need while enrolled in a graduate-level degree program;
1-53 and

1-54 (5) comply with any other requirements adopted by the
1-55 coordinating board for the effective administration of the program.

1-56 Sec. 56.093. ELIGIBLE LOANS. The coordinating board may
1-57 provide repayment assistance under the doctoral incentive loan
1-58 repayment program for the repayment of any education loan received
1-59 by an eligible individual through any lender.

1-60 Sec. 56.094. LOAN REPAYMENT ASSISTANCE. (a) The
1-61 coordinating board may provide assistance in the repayment of an
1-62 eligible loan to an eligible individual in the amounts and under the
1-63 terms the coordinating board considers appropriate to further the

2-1 purposes of the doctoral incentive loan repayment program and the
2-2 best interests of this state.

2-3 (b) An individual may receive loan repayment assistance
2-4 under the doctoral incentive loan repayment program in a total
2-5 amount not to exceed \$100,000.

2-6 Sec. 56.095. FUNDING; LIMITATION ON FUNDING. (a) The
2-7 doctoral incentive loan repayment program may be funded only from a
2-8 source provided by this section. The total amount of loan repayment
2-9 assistance paid under the program may not exceed the amount of money
2-10 available for the program under this section.

2-11 (b) Each institution of higher education shall set aside a
2-12 portion of the tuition collected from each student enrolled in a
2-13 doctoral degree program, other than a law or health professional
2-14 degree program, equal to \$2 for each semester credit hour for which
2-15 the student is enrolled. The institution shall deliver the money
2-16 set aside to the coordinating board in the manner and at the time
2-17 prescribed by the coordinating board. The coordinating board shall
2-18 transfer the money to the comptroller to be maintained in the state
2-19 treasury for the sole purpose of providing loan forgiveness under
2-20 this subchapter and paying the costs of administering this
2-21 subchapter. The money may be used only for those purposes.

2-22 (c) The coordinating board may solicit and accept gifts and
2-23 grants from any public or private source for the purposes of the
2-24 doctoral incentive loan repayment program.

2-25 SECTION 2. This Act takes effect immediately if it receives
2-26 a vote of two-thirds of all the members elected to each house, as
2-27 provided by Section 39, Article III, Texas Constitution. If this
2-28 Act does not receive the vote necessary for immediate effect, this
2-29 Act takes effect September 1, 2003.

2-30 SECTION 3. (a) The Texas Higher Education Coordinating
2-31 Board shall award loan repayments under the doctoral incentive loan
2-32 repayment program established under Subchapter F, Chapter 56,
2-33 Education Code, as added by this Act, beginning with the 2004 fall
2-34 semester.

2-35 (b) The Texas Higher Education Coordinating Board shall
2-36 adopt the initial rules for awarding loans under the doctoral
2-37 incentive loan repayment program established under Subchapter F,
2-38 Chapter 56, Education Code, as added by this Act, as soon as
2-39 practicable after the effective date of this Act. The coordinating
2-40 board may adopt those initial rules in the manner provided by law
2-41 for emergency rules.

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