

Amend SB 132 (Senate Engrossment) as follows:

(1) In SECTION 2 of the bill, strike amended Paragraph (B), Subdivision (1), Subsection (a), Section 61.9623, Education Code (page 2, lines 14-16), and substitute "(B) nursing faculty enhancement in accordance with Section 61.96231 [~~assuring the retention of an adequate number of qualified faculty, including providing faculty salaries~~]; [~~or~~]".

(2) In SECTION 3 of the bill, in amended Section 61.9624, Education Code (page 3, line 21), strike "Sections 61.9623(a)(1)(A), [~~and~~] B, and (D)" and substitute "Sections 61.9623(a)(1)(A) and (D) [~~B~~]".

(3) Add the following appropriately numbered new SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter D, Chapter 54, Education Code, is amended by adding Sections 54.221 and 54.222 to read as follows:

Sec. 54.221. CHILDREN OF PROFESSIONAL NURSING PROGRAM FACULTY. (a) In this section:

(1) "Child" means a child of any age, including an adult child. The term includes an adopted child.

(2) "Graduate professional nursing program" means an educational program of a public or private institution of higher education that prepares students for a master's or doctoral degree in nursing.

(3) "Undergraduate professional nursing program" means a public or private educational program for preparing students for initial licensure as registered nurses.

(b) The governing board of an institution of higher education shall exempt from the payment of tuition a resident of this state enrolled as an undergraduate student at the institution who is a child of a person who, at the beginning of the semester or other academic term for which an exemption is sought, holds a master's or doctoral degree in nursing, if not employed or under contract as a teaching assistant under Subdivision (1) or (2), or a baccalaureate degree in nursing, if employed or under contract as a teaching assistant under Subdivision (1) or (2), and:

(1) is employed by an undergraduate or graduate

professional nursing program in this state as a full-time member of its faculty or staff with duties that include teaching, serving as a teaching assistant, performing research, serving as an administrator, or performing other professional services; or

(2) has contracted with an undergraduate or graduate professional nursing program in this state to serve as a full-time member of its faculty or staff to perform duties described by Subdivision (1) during all or part of the semester or other academic term for which an exemption is sought or, if the child is enrolled for a summer session, during all or part of that session or for the next academic year.

(c) A child who would qualify for an exemption under this section but for the fact that the child's parent is not employed full-time is eligible for an exemption on a pro rata basis equal to the percentage of full-time employment the parent is employed, except that a parent employed for less than 25 percent of full-time employment is considered to be employed for 25 percent of full-time employment.

(d) A person is not eligible for an exemption under this section if the person:

(1) has previously received an exemption under this section for 10 semesters or summer sessions at any institution or institutions of higher education; or

(2) has received a baccalaureate degree.

(e) For purposes of Subsection (d), a summer session that is less than nine weeks in duration is considered one-half of a summer session.

(f) A person attending an institution of higher education who becomes eligible to receive an exemption from tuition under this section is eligible for a refund of the amount of money that the person paid to any institution of higher education for tuition as a resident student in the three-year period preceding the beginning of the first semester or other academic term for which the person receives the exemption.

(g) To receive a refund under Subsection (f), the person must apply to the institution from which the refund is sought before the first anniversary of the date the person becomes eligible for

the refund. The institution shall pay the refund from any available funds of the institution.

(h) The Texas Higher Education Coordinating Board shall adopt:

(1) rules governing the granting or denial of an exemption under this section, including rules relating to the determination of eligibility for an exemption or for a refund of previously paid tuition; and

(2) a uniform application form for an exemption under this section.

Sec. 54.222. PRECEPTORS FOR PROFESSIONAL NURSING EDUCATION PROGRAMS. (a) In this section, "child" and "undergraduate professional nursing program" have the meanings assigned by Section 54.221.

(b) The governing board of an institution of higher education shall exempt from the payment of \$500 of the total amount of tuition a resident of this state enrolled as a student at the institution who:

(1) is a registered nurse; and

(2) is serving under a written preceptor agreement with an undergraduate professional nursing program as a clinical preceptor for students enrolled in the program for the semester or other academic term for which the exemption is sought.

(c) The governing board of an institution of higher education shall exempt from the payment of \$500 of the total amount of tuition a resident of this state enrolled as an undergraduate student at the institution who is a child of a person who meets the requirements of Subsections (b)(1) and (2).

(d) Notwithstanding Subsections (b) and (c), if a person eligible for an exemption under this section owes less than \$500 in tuition, the governing board of the institution of higher education in which the person is enrolled shall exempt the person from the payment of only the amount of tuition the person owes.

(e) A person is not eligible for an exemption under Subsection (c) if the person:

(1) has previously received an exemption under this section for 10 semesters or summer sessions at any institution or

institutions of higher education; or

(2) has received a baccalaureate degree.

(f) For purposes of Subsection (e), a summer session that is less than nine weeks in duration is considered one-half of a summer session.

(g) The Texas Higher Education Coordinating Board shall adopt:

(1) rules governing the granting or denial of an exemption under this section, including rules relating to the determination of eligibility for an exemption; and

(2) a uniform application form for an exemption under this section.

SECTION _____. Subchapter Z, Chapter 61, Education Code, is amended by adding Section 61.96231 to read as follows:

Sec. 61.96231. NURSING FACULTY ENHANCEMENT GRANTS. (a) Under the professional nursing shortage reduction program, the board may award nursing faculty enhancement grants to professional nursing programs to assist the programs in the education, recruitment, and retention of a sufficient number of faculty members to enable the programs to enroll a sufficient number of students to meet the state's need for registered nurses.

(b) A grant awarded under this section may be used only for the purposes specified by Subsection (a), including providing salary supplements and enhancements and reducing the number of hours a faculty member must teach.

(c) In awarding a grant under this section, the board may require matching funds from a professional nursing program or may give preference in awarding a grant to a program providing matching funds.

(d) The board may appoint an advisory committee to advise the board on successful strategies, in addition to the grants awarded under this section, for educating, recruiting, and retaining qualified professional nursing program faculty members who hold master's or doctoral degrees.

SECTION _____. Section 824.602(a), Government Code, is amended to read as follows:

(a) Subject to Section 825.506, the retirement system may

not, under Section 824.601, withhold a monthly benefit payment if the retiree is employed in a Texas public educational institution:

(1) as a substitute only with pay not more than the daily rate of substitute pay established by the employer and, if the retiree is a disability retiree, the employment has not exceeded a total of 90 days in the school year;

(2) in a position, other than as a substitute, on no more than a one-half time basis for the month;

(3) in one or more positions on as much as a full-time basis, if the work occurs in not more than six months of a school year that begins after the retiree's effective date of retirement;

(4) in a position, other than as a substitute, on no more than a one-half time basis for no more than 90 days in the school year, if the retiree is a disability retiree;

(5) in a position as a classroom teacher on as much as a full-time basis, if the retiree has retired under Section 824.202(a), is certified under Subchapter B, Chapter 21, Education Code, to teach the subjects assigned, is teaching in an acute shortage area as determined by the board of trustees of a school district as provided by Subsection (m), and has been separated from service with all public schools for at least 12 months;

(6) in a position as a principal, including as an assistant principal, on as much as a full-time basis, if the retiree has retired under Section 824.202(a) without reduction for retirement at an early age, is certified under Subchapter B, Chapter 21, Education Code, to serve as a principal, and has been separated from service with all public schools for at least 12 months; ~~or~~

(7) as a bus driver for a school district on as much as a full-time basis, if the retiree has retired under Section 824.202(a); or

(8) as a faculty member, during the period beginning with the 2005 fall semester and ending on the last day of the 2015 spring semester, in an undergraduate professional nursing program or graduate professional nursing program, as defined by Section 54.221, Education Code.

SECTION ____ . Subchapter B, Chapter 1372, Government Code,

is amended by adding Section 1372.0223 to read as follows:

Sec. 1372.0223. DEDICATION OF PORTION OF STATE CEILING FOR PROFESSIONAL NURSING PROGRAM FACULTY MEMBER HOME LOAN PROGRAM.
Until August 1, out of that portion of the state ceiling that is available exclusively for reservations by issuers of qualified mortgage bonds under Section 1372.022, \$5 million shall be allotted each year and made available exclusively to the Texas State Affordable Housing Corporation for the purpose of issuing qualified mortgage bonds in connection with the professional nursing program faculty member home loan program established under Section 2306.5622.

SECTION _____. (a) This section takes effect only if the Act of the 79th Legislature, Regular Session, 2005, relating to the nonsubstantive additions to and corrections in enacted codes (the general code update bill) is enacted and becomes law.

(b) Section 2306.553(a), Government Code, is amended to read as follows:

(a) The public purpose of the corporation is to perform activities and services that the corporation's board of directors determines will promote the public health, safety, and welfare through the provision of adequate, safe, and sanitary housing primarily for individuals and families of low, very low, and extremely low income, for professional educators under the professional educators home loan program as provided by Section 2306.562, ~~[and]~~ for fire fighters and police officers under the fire fighter and police officer home loan program as provided by Section 2306.5621, and for professional nursing program faculty members under the professional nursing program faculty member home loan program as provided by Section 2306.5622 ~~[2306.563]~~. The activities and services shall include engaging in mortgage banking activities and lending transactions and acquiring, holding, selling, or leasing real or personal property.

SECTION _____. (a) This section takes effect only if the Act of the 79th Legislature, Regular Session, 2005, relating to nonsubstantive additions to and corrections in enacted codes (the general code update bill) does not become law.

(b) Section 2306.553(a), Government Code, is amended to

read as follows:

(a) The public purpose of the corporation is to perform activities and services that the corporation's board of directors determines will promote the public health, safety, and welfare through the provision of adequate, safe, and sanitary housing primarily for individuals and families of low, very low, and extremely low income, for professional educators under the professional educators home loan program as provided by Section 2306.562, ~~and~~ for fire fighters and police officers under the fire fighter and police officer home loan program as provided by Section 2306.563, and for professional nursing program faculty members under the professional nursing program faculty member home loan program as provided by Section 2306.5622. The activities and services shall include engaging in mortgage banking activities and lending transactions and acquiring, holding, selling, or leasing real or personal property.

SECTION ____ . Section 2306.553(b), Government Code, is amended to read as follows:

(b) The corporation's primary public purpose is to facilitate the provision of housing by issuing qualified 501(c)(3) bonds and qualified residential rental project bonds and by making affordable loans to individuals and families of low, very low, and extremely low income, to professional educators under the professional educators home loan program, ~~and~~ to fire fighters and police officers under the fire fighter and police officer home loan program, and to professional nursing program faculty members under the professional nursing program faculty member home loan program. The corporation may make first lien, single family purchase money mortgage loans for single family homes only to individuals and families of low, very low, and extremely low income if the individual's or family's household income is not more than the greater of 60 percent of the median income for the state, as defined by the United States Department of Housing and Urban Development, or 60 percent of the area median family income, adjusted for family size, as defined by that department. The corporation may make loans for multifamily developments if:

(1) at least 40 percent of the units in a multifamily

development are affordable to individuals and families with incomes at or below 60 percent of the median family income, adjusted for family size; or

(2) at least 20 percent of the units in a multifamily development are affordable to individuals and families with incomes at or below 50 percent of the median family income, adjusted for family size.

SECTION ____ . Subchapter Y, Chapter 2306, Government Code, is amended by adding Section 2306.5622 to read as follows:

Sec. 2306.5622. PROFESSIONAL NURSING PROGRAM FACULTY MEMBER HOME LOAN PROGRAM. (a) In this section:

(1) "Graduate professional nursing program" and "undergraduate professional nursing program" have the meanings assigned by Section 54.221, Education Code.

(2) "Home" means a dwelling in this state in which a professional nursing program faculty member intends to reside as the faculty member's principal residence.

(3) "Mortgage lender" has the meaning assigned by Section 2306.004.

(4) "Professional nursing program faculty member" means a full-time member of the faculty of either an undergraduate or graduate professional nursing program.

(5) "Program" means the professional nursing program faculty member home loan program.

(b) The corporation shall establish a program to provide eligible professional nursing program faculty members with low-interest home mortgage loans.

(c) To be eligible for a loan under this section, at the time a person files an application for the loan, the person must:

(1) be a faculty member of an undergraduate or graduate professional nursing program;

(2) reside in this state; and

(3) have an income of not more than 115 percent of area median family income, adjusted for family size.

(d) The corporation may contract with other agencies of the state or with private entities to determine whether applicants qualify as professional nursing program faculty members under this

section or otherwise to administer all or part of this section.

(e) The board of directors of the corporation may set and collect from each applicant any fees the board considers reasonable and necessary to cover the expenses of administering the program.

(f) The board of directors of the corporation shall adopt rules governing:

(1) the administration of the program;

(2) the making of loans under the program;

(3) the criteria for approving mortgage lenders;

(4) the use of insurance on the loans and the homes financed under the program, as considered appropriate by the board to provide additional security for the loans;

(5) the verification of occupancy of the home by the professional nursing program faculty member as the professional nursing program faculty member's principal residence; and

(6) the terms of any contract made with any mortgage lender for processing, originating, servicing, or administering the loans.

(g) The corporation shall ensure that a loan under this section is structured in a way that complies with any requirements associated with the source of the funds used for the loan.

(h) In addition to funds set aside for the program under Section 1372.0223, the corporation may solicit and accept funding for the program from the following sources:

(1) gifts and grants for the purposes of this section;

(2) available money in the housing trust fund established under Section 2306.201, to the extent available to the corporation;

(3) federal block grants that may be used for the purposes of this section, to the extent available to the corporation;

(4) other state or federal programs that provide money that may be used for the purposes of this section; and

(5) amounts received by the corporation in repayment of loans made under this section.

(i) This section expires September 1, 2016.

SECTION ____ (a) Except as provided by Subsection (b) of

this section, Sections 54.221 and 54.222, Education Code, as added by this Act, take effect beginning with the 2006 fall semester.

(b) Not later than January 1, 2006, the Texas Higher Education Coordinating Board shall adopt rules and forms relating to tuition exemptions under Sections 54.221 and 54.222, Education Code, as added by this Act.

SECTION _____. The change in law made by this Act to Section 61.9623(a), Education Code, applies only to expenditure of grant money under that section after this Act takes effect. Expenditure of grant money under that section before this Act takes effect is governed by the law in effect at the time grant money was spent, and that law is continued in effect for that purpose.

SECTION _____. The change in law made by this Act to Section 824.602, Government Code, applies beginning with the 2005 fall semester.

SECTION _____. The Texas State Affordable Housing Corporation shall:

(1) aggressively pursue funding for the professional nursing school faculty member home loan program required by Section 2306.5622, Government Code, as added by this Act; and

(2) implement the professional nursing school faculty member home loan program required by that section not later than September 1, 2005, or as soon thereafter as practicable.