## A BILL TO BE ENTITLED

AN ACT
relating to the creation of a work-study student mentorship program at certain institutions of higher education and to certain student financial aid program requirements.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Section 56.076, Education Code, is amended to read as follows:

Sec. 56.076. ELIGIBLE EMPLOYER. An eligible institution may enter into agreements with employers that participate in the work-study program. To be eligible to participate in the work-study program, an employer must:
(1) provide part-time employment to an eligible student in nonpartisan and nonsectarian activities;
(2) provide, insofar as is practicable, employment to an eligible student that is related to the student's academic interests;
(3) use Texas college work-study program positions only to supplement and not to supplant positions normally filled by persons not eligible to participate in the work-study program;
(4) provide from sources other than federal college work-study program funds a percentage [not less than 30 percent] of an employed student's wages that is equal to the percentage of a student's wages that the employer would be required to provide to the student in that academic year under the [and 100 percent of
othex employee benefits for the employed student from sources othex than] federal college work-study program [funds, if the employex is a nonprofit entity]; and
(5) provide from sources other than federal college work-study funds [not less than 50 percent of an employed student's wages and 100 percent of other employee benefits for the employed student [, if the employer is a profit-makingentity].

SECTION 2. Subchapter E, Chapter 56, Education Code, is amended by adding Section 56.079 to read as follows:

Sec. 56.079. WORK-STUDY STUDENT MENTORSHIP PROGRAM. (a) In this section, "general academic teaching institution" has the meaning assigned by Section 61.003 .
(b) A general academic teaching institution may establish a work-study student mentorship program under which students who are enrolled in their junior or senior year at the institution and who meet the eligibility requirements for employment in the Texas college work-study program under Section 56.075 may be employed by the institution under the Texas college work-study program to mentor students who are on academic probation at the institution.
(c) A general academic teaching institution that has established a work-study student mentorship program under this section may require students who are on academic probation at the institution to be matched with a student mentor employed under the program.
(d) Not later than November 1 of each year, each general academic teaching institution that has established a work-study student mentorship program under this section shall submit to the

Texas Higher Education Coordinating Board a report regarding the progress of the institution's program. The report must include the number of students employed by the institution as mentors under the program in the preceding academic year and information relating to the costs of the program and the academic progress of the students receiving mentoring under the program in that year.
(e) Each general academic teaching institution that has established a work-study student mentorship program under this section shall set aside a portion of the institution's Texas college work-study program funds to pay for the state's contribution toward the costs of the program.
(f) Notwithstanding Section 56.076, a general academic teaching institution that employs a student mentor under the work-study student mentorship program shall provide from sources other than federal college work-study funds:
(1) not less than 10 percent of the employed student's wages; and
(2) 100 percent of other employee benefits for the employed student.

SECTION 3. Section 56.304, Education Code, is amended by amending Subsection (e) and adding Subsections (e-1) and (e-2) to read as follows:
(e) If a person is initially awarded a TEXAS grant before the 2005 fall semester, the $[\nexists]$ person's eligibility for a TEXAS grant ends on the sixth anniversary of the initial award of a TEXAS grant to the person and the person's enrollment in an eligible institution, unless the person is provided additional time during
which the person may receive a TEXAS grant under Subsection (e-2) [this subsection].
(e-1) If a person is initially awarded a TEXAS grant during or after the 2005 fall semester, unless the person is provided additional time during which the person may receive a TEXAS grant under Subsection (e-2), the person's eligibility for a TEXAS grant ends on:
(1) the fifth anniversary of the initial award of a TEXAS grant to the person, if the person is enrolled in a degree or certificate program of four years or less; or
(2) the sixth anniversary of the initial award of a TEXAS grant to the person, if the person is enrolled in a degree program of more than four years.
(e-2) The coordinating board shall adopt rules to provide a person who is otherwise eligible to receive a TEXAS grant additional time during which the person may receive a TEXAS grant in the event of a hardship or other good cause shown that prevents the person from continuing the person's enrollment during the period the person would otherwise have been eligible to receive a TEXAS grant, including a showing of a severe illness or other debilitating condition or that the person is or was responsible for the care of a sick, injured, or needy person.

SECTION 4. Section 56.305, Education Code, is amended by amending Subsections (e) and (g) and adding Subsection (e-1) to read as follows:
(e) For the purpose of this section, a person who is initially awarded a TEXAS grant before the 2005 fall semester makes
satisfactory academic progress toward an undergraduate degree or certificate only if:
(1) in the person's first academic year the person meets the satisfactory academic progress requirements of the institution at which the person is enrolled; and
(2) in a subsequent academic year, the person:
(A) completes at least 75 percent of the semester credit hours attempted in the student's most recent academic year; and
(B) earns an overall grade point average of at least 2.5 on a four-point scale or the equivalent on coursework previously attempted at institutions of higher education.
(e-1) For purposes of this section, a person who is initially awarded a TEXAS grant during or after the 2005 fall semester makes satisfactory academic progress toward an undergraduate degree or certificate only if:
(1) in the person's first academic year the person meets the satisfactory academic progress requirements of the institution at which the person is enrolled; and
(2) in a subsequent academic year, the person:
(A) completed at least 24 semester credit hours in the student's most recent academic year; and
(B) has earned an overall grade point average of at least 2.5 on a four-point scale or the equivalent on coursework previously attempted at institutions of higher education.
(g) The coordinating board shall adopt rules to allow a person who is otherwise eligible to receive a TEXAS grant, in the
event of a hardship or for other good cause shown, including a showing of a severe illness or other debilitating condition that may affect the person's academic performance or that the person is responsible for the care of a sick, injured, or needy person and that the person's provision of care may affect the person's academic performance, to receive a TEXAS grant:
(1) while enrolled in a number of semester credit hours that is less than the number of semester credit hours required under Subsection (a) (3) ; or
(2) if the student's grade point average or the student's completion rate or number of semester credit hours completed, as applicable, falls below the satisfactory academic progress requirements of Subsection (e) or (e-1).

SECTION 5. Subchapter M, Chapter 56, Education Code, is amended by adding Section 56.3071 to read as follows:

Sec. 56.3071. EFFECT OF ELIGIBILITY FOR TUITION EQUALIZATION GRANT. (a) Notwithstanding Section 56.307, the total amount of financial aid that a student enrolled in a private or independent institution of higher education is eligible to receive in a state fiscal year from TEXAS grants awarded under this subchapter may not exceed the maximum amount the student may receive in tuition equalization grants in that fiscal year as determined under Subchapter F, Chapter 61.
(b) Notwithstanding any other law, a student enrolled in a private or independent institution of higher education may not receive a TEXAS grant under this subchapter and a tuition equalization grant under Subchapter F, Chapter 61, for the same
semester or other term, regardless of whether the student is
otherwise eligible for both grants during that semester or term. A
student who but for this subsection would be awarded both a TEXAS
grant and a tuition equalization grant for the same semester or
other term is entitled to receive only the grant of the greater
amount.

SECTION 6. Section 56.462, Education Code, is amended to read as follows:

Sec. 56.462. LOAN FORGIVENESS. A student who receives a Texas B-On-time loan shall be forgiven the amount of the student's loan if the student is awarded an undergraduate certificate or degree at an eligible institution with a cumulative grade point average of at least 3.0 on a four-point scale or the equivalent:
(1) within:
(A) four calendar years after the date the student initially enrolled in the institution or another eligible institution if:
(i) the institution is a four-year institution; and
(ii) the student is awarded a degree other than a degree in engineering, architecture, or any other program determined by the coordinating board to require more than four years to complete;
(B) five calendar years after the date the student initially enrolled in the institution or another eligible institution if:
(i) the institution is a four-year
institution; and
(ii) the student is awarded a degree in engineering, architecture, or any other program determined by the coordinating board to require more than four years to complete; or
(C) two years after the date the student initially enrolled in the institution or another eligible institution if the institution is a public junior college or public technical institute; or
(2) with a total number of semester credit hours, including transfer credit hours and excluding hours earned exclusively by examination, hours earned for a course for which the student received credit toward the student's high school academic requirements, and hours earned for developmental coursework that an institution of higher education required the student to take under Section 51.3062 or under the former provisions of Section 51.306 , that is not more than six hours more than the minimum number of semester credit hours required to complete the certificate or degree.

SECTION 7. Section 61.225, Education Code, is amended to read as follows:

Sec. 61.225. ELIGIBILITY [QUALIFICATIONS] FOR GRANT; PERSONS AWARDED GRANTS BEFORE 2005-2006 ACADEMIC YEAR. (a) This section applies only to a person who initially received a tuition equalization grant before the 2005-2006 academic year.
(b) To be eligible for a tuition equalization grant, a person must:
(1) be a Texas resident as defined by the coordinating
board and meet, at a minimum, the resident requirements defined by law for Texas resident tuition in fully state-supported institutions of higher education;
(2) be enrolled for at least one-half of a full course load conforming to an individual degree plan in an approved college or university;
(3) be required to pay more tuition than is required at a public college or university and be charged no less than the regular tuition required of all students enrolled at the institution;
(4) establish financial need in accordance with procedures and regulations of the coordinating board;
(5) not be a recipient of any form of athletic scholarship; and
(6) have complied with other requirements adopted by the coordinating board under this subchapter.
(c) A grant to a part-time student under this section shall be made on a pro rata basis of a full-time equivalent.

SECTION 8. Subchapter $F$, Chapter 61, Education Code, is amended by adding Section 61.2251 to read as follows:

Sec. 61.2251. ELIGIBILITY FOR GRANT; PERSONS INITIALLY AWARDED GRANTS DURING OR AFTER 2005-2006 ACADEMIC YEAR. (a) This section does not apply to a person who initially received a tuition equalization grant before the 2005-2006 academic year.
(b) To be eligible for a tuition equalization grant in the first academic year in which the person receives the grant, a person must:
(1) be a Texas resident as defined by the coordinating board and meet, at a minimum, the resident requirements defined by law for Texas resident tuition in fully state-supported institutions of higher education;
(2) be enrolled for a full course load conforming to an individual degree plan in an approved college or university;
(3) be required to pay more tuition than is required at a public college or university and be charged no less than the regular tuition required of all students enrolled at the institution;
(4) establish financial need in accordance with procedures and regulations of the coordinating board;
(5) not be a recipient of any form of athletic scholarship; and
(6) have complied with other requirements adopted by the coordinating board under this subchapter.
(c) After qualifying for a tuition equalization grant under Subsection (b), a person may receive a tuition equalization grant in a subsequent academic year in which the person is enrolled at an approved institution only if the person:
(1) meets the requirements of Subsection (b);
(2) completed at least:
(A) 24 semester credit hours in the person's most recent academic year, if the person is enrolled in an undergraduate degree or certificate program; or
(B) 18 semester credit hours in the person's most recent academic year, if the person is enrolled in a graduate or
professional degree program; and
(3) has earned an overall grade point average of at least 2.5 on a four-point scale or the equivalent on coursework previously attempted at public or private institutions of higher education.
(d) Notwithstanding Subsections (b) and (c), a person's eligibility for a tuition equalization grant ends on:
(1) the fifth anniversary of the initial award of a tuition equalization grant to the person, if the person is enrolled in an undergraduate degree or certificate program of four years or less; or
(2) the sixth anniversary of the initial award of a tuition equalization grant to the person, if the person is enrolled in an undergraduate degree program of more than four years.
(e) The coordinating board shall adopt rules to allow a person who is otherwise eligible to receive a tuition equalization grant, in the event of a hardship or for other good cause shown, to receive a tuition equalization grant if the person does not:
(1) complete the semester credit hours required by Subsection (c)(2);
(2) maintain the grade point average required by Subsection (c)(3); or
(3) complete the person's certificate or degree program within the period prescribed by Subsection (d).

SECTION 9. Section 61.227, Education Code, is amended by amending Subsection (c) and adding Subsection (d) to read as follows:
(c) In no event shall a tuition equalization grant paid pursuant to this subchapter in behalf of any student during any one fiscal year exceed an amount equal to 50 percent of the average state appropriation in the biennium preceding the biennium in which the grant is made for a full-time student or the equivalent at public senior colleges and universities, as determined by the board. [A grant to a part-time student shall be made on a pro-rata basis of a full-time equivalent.]
(d) Notwithstanding any other law, a student enrolled in a private or independent institution of higher education may not receive a tuition equalization grant under this subchapter and a TEXAS grant under Subchapter M, Chapter 56 , for the same semester or other term, regardless of whether the student is otherwise eligible for both grants during that semester or term. A student who but for this subsection would be awarded both a tuition equalization grant and a TEXAS grant for the same semester or other term is entitled to receive only the grant of the greater amount.

SECTION 10. Subsection (h), Section 56.307, Education Code, is repealed.

SECTION 11. (a) The change in law made by this Act to Subchapter M, Chapter 56, Education Code, applies beginning with the 2005-2006 academic year, but does not affect the amount of or entitlement to any grant awarded before the effective date of this Act.
(b) The changes in law made by this Act to Section 56.076, Education code, apply only to an agreement entered into by an institution of higher education and an employer under that section
on or after the effective date of this Act.
(c) The changes in law made by this Act to Section 56.462, Education Code, apply to a student who is awarded an undergraduate certificate or degree on or after the effective date of this Act, without regard to when the student is awarded a Texas B-On-time loan.
(d) The changes in law made by this Act by amending Sections 61.225 and 61.227, Education Code, and by adding Section 61.2251, Education Code, apply beginning with tuition equalization grants for the 2005-2006 academic year, but only for tuition equalization grants awarded on or after the effective date of this Act. A tuition equalization grant awarded before the effective date of this Act is governed by the law in effect immediately before the effective date, and the former law is continued in effect for that purpose.

SECTION 12. This Act takes effect September 1, 2005.

