

By: Zaffirini

S.B. No. 33

A BILL TO BE ENTITLED

AN ACT

1
2 relating to graduate stipends awarded as part of the Texas
3 B-On-time loan program.

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

5 SECTION 1. Subchapter Q, Chapter 56, Education Code, is
6 amended by adding Section 56.466 to read as follows:

7 Sec. 56.466. GRADUATE STIPEND. (a) A student who
8 previously qualified for forgiveness of a Texas B-On-time loan
9 under Section 56.462 and who enrolls in a graduate or professional
10 degree program at an institution of higher education is eligible to
11 receive a stipend of \$2,500 in the student's first academic year in
12 the program to be used toward expenses associated with the program.

13 (b) The stipends shall be paid from money appropriated for
14 that purpose. If in any academic year the amount of money available
15 for stipends is insufficient to provide a stipend to each eligible
16 student in the amount specified by this section, the coordinating
17 board shall determine the amount of available money and shall
18 allocate that amount to eligible institutions in proportion to the
19 number of full-time equivalent graduate students enrolled at each
20 institution. Each institution shall use the money allocated to
21 award stipends under this section to eligible students enrolled at
22 the institution selected according to financial need.

23 (c) The coordinating board shall adopt rules for the
24 administration of this section, including rules:

1 (1) prescribing procedures for notifying eligible
2 students of the availability of stipends under this section;

3 (2) prescribing application and payment procedures
4 for students seeking stipends; and

5 (3) providing for payment of stipends during the
6 academic year in periodic installments and for termination of the
7 payments to a student who does not remain enrolled in or maintain
8 satisfactory academic progress in the student's degree program.

9 SECTION 2. (a) Section 56.466, Education Code, as added by
10 this Act, applies beginning with the 2005-2006 academic year.

11 (b) The Texas Higher Education Coordinating Board shall
12 adopt rules for the administration of Section 56.466, Education
13 Code, as added by this Act, as soon as practicable after this Act
14 takes effect. For that purpose, the coordinating board may adopt
15 the rules in the manner provided by law for emergency rules.

16 SECTION 3. This Act takes effect immediately if it receives
17 a vote of two-thirds of all the members elected to each house, as
18 provided by Section 39, Article III, Texas Constitution. If this
19 Act does not receive the vote necessary for immediate effect, this
20 Act takes effect September 1, 2005.