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H.B. No. 2103

A BILL TO BE ENTITLED

1 AN ACT

2 relating to a pilot program to provide student loan repayment
3 assistance to certain correctional officers who graduate from Sam
4 Houston State University.

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

6 SECTION 1. Chapter 61, Education Code, is amended by adding
7 Subchapter EE to read as follows:

8 SUBCHAPTER EE. CORRECTIONAL OFFICER

9 LOAN REPAYMENT ASSISTANCE PILOT

10 PROGRAM

11 Sec. 61.9751. DEFINITIONS. In this subchapter:

12 (1) "Correctional officer" means a correctional
13 officer employed in a confinement facility operated by the Texas
14 Department of Criminal Justice.

15 (2) "Trust fund" means the correctional officer loan
16 repayment assistance trust fund.

17 Sec. 61.9752. REPAYMENT AUTHORIZED. The board shall
18 establish a pilot program to provide, using money in the trust fund
19 and in accordance with this subchapter and rules of the board,
20 assistance in the repayment of student loans for correctional
21 officers who apply and qualify for the assistance.

22 Sec. 61.9753. ELIGIBILITY. To be eligible to receive
23 repayment assistance, a correctional officer must:

24 (1) have successfully completed a baccalaureate

1 degree program at Sam Houston State University;

2 (2) establish to the board that:

3 (A) the repayment assistance will be used to
4 repay any part of a student loan received by the correctional
5 officer to cover tuition and fees required for enrollment in
6 junior-level or senior-level coursework in the baccalaureate
7 degree program at the university; and

8 (B) during the period of the correctional
9 officer's enrollment at the university as described by Paragraph
10 (A), the officer:

11 (i) was employed full-time as a
12 correctional officer in this state;

13 (ii) was classified as a resident of this
14 state under Subchapter B, Chapter 54;

15 (iii) established financial need as
16 determined by board rule; and

17 (iv) maintained good academic standing at
18 the university as determined by board rule;

19 (3) complete at least one full year of employment as a
20 full-time correctional officer in this state not later than the
21 second anniversary of the date of the person's graduation from the
22 university; and

23 (4) comply with any other requirements adopted by
24 board rule under this subchapter.

25 Sec. 61.9754. ELIGIBLE LOANS. (a) The board may provide
26 repayment assistance for the repayment of any student loan received
27 by an eligible correctional officer through any lender for the

1 costs of tuition and fees at Sam Houston State University.

2 (b) The board may withhold repayment assistance for a
3 student loan that is in default at the time of the correctional
4 officer's application.

5 (c) Subject to Sections 61.9755 and 61.9758, each state
6 fiscal biennium the board shall attempt to allocate all funds
7 available in the trust fund for the purpose of providing repayment
8 assistance under this subchapter.

9 Sec. 61.9755. REPAYMENT. (a) The board shall deliver any
10 repayment under this subchapter in a lump sum payable to the lender
11 and the correctional officer, in accordance with any applicable
12 federal law.

13 (b) A repayment under this subchapter may be applied to any
14 amount due in connection with the loan.

15 (c) The board may grant prior conditional approval to a
16 correctional officer who completes each eligibility requirement
17 under Section 61.9753 other than the requirement under Section
18 61.9753(3) and may reserve money in the trust fund for disbursement
19 under this subchapter on the officer's completion of that
20 requirement.

21 Sec. 61.9756. RULES. (a) The board shall adopt rules
22 necessary to administer this subchapter. The board may consult
23 with the Texas Department of Criminal Justice to assist the board in
24 establishing priorities among eligible correctional officers for
25 repayment assistance.

26 (b) The board shall distribute to Sam Houston State
27 University, each public junior college, and appropriate state

1 agencies and professional associations copies of the rules adopted
2 under this section and other pertinent information relating to this
3 subchapter.

4 Sec. 61.9757. AMOUNT OF REPAYMENT ASSISTANCE. (a) The loan
5 repayment amount for one year of full-time employment as a
6 correctional officer after graduation from Sam Houston State
7 University may not exceed the cost of the tuition and fees required
8 for the officer to enroll in 30 semester credit hours of
9 junior-level or senior-level coursework at the university, as
10 applicable.

11 (b) The total amount of repayment assistance distributed by
12 the board under this subchapter may not exceed the total amount of
13 gifts and grants accepted by the board for repayment assistance,
14 legislative appropriations for repayment assistance, and other
15 funds available to the board for purposes of this subchapter.

16 Sec. 61.9758. TRUST FUND. (a) The board shall award
17 repayment assistance under this subchapter from the amount
18 available in the trust fund. The trust fund is established outside
19 the treasury but is held in trust by the comptroller. Money in the
20 trust fund may be spent without appropriation and only to fund the
21 pilot program. Interest and income from the assets of the trust
22 fund shall be credited to and deposited in the trust fund. In each
23 state fiscal year the board may spend from the trust fund to cover
24 the costs of administering this subchapter an amount not to exceed
25 2.5 percent of the total amount of money deposited into the trust
26 fund in that fiscal year.

27 (b) The board may solicit and accept gifts and grants from

1 any public or private source for the purposes of this subchapter and
2 shall deposit a gift or grant to the credit of the trust fund.

3 (c) The legislature may appropriate money to the trust fund.

4 Sec. 61.9759. EVALUATION OF PILOT PROGRAM. The board shall
5 evaluate the effectiveness of the pilot program established under
6 this subchapter and report the results of the evaluation to the
7 legislature not later than December 31 of each even-numbered year.

8 Sec. 61.9760. TERMINATION OF PILOT PROGRAM. The board may
9 not award repayment assistance under this subchapter to pay the
10 costs of enrollment in an academic year after the 2013-2014
11 academic year. On January 1, 2017, the trust fund is abolished and
12 any amount remaining in the trust fund shall be transferred to the
13 general revenue fund.

14 SECTION 2. The Texas Higher Education Coordinating Board
15 shall adopt the rules for repayment assistance under Subchapter EE,
16 Chapter 61, Education Code, as added by this Act, not later than
17 December 1, 2007.

18 SECTION 3. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section 39, Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2007.