

By: Zaffirini

S.B. No. 1496

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the partial forgiveness of Texas B-On-time loans for
3 certain graduates of four-year public and private institutions of
4 higher education.

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

6 SECTION 1. Section 56.462, Education Code, is amended to
7 read as follows:

8 Sec. 56.462. LOAN FORGIVENESS. (a) A student who receives
9 a Texas B-On-time loan shall be forgiven the amount of the student's
10 loan if the student is awarded an undergraduate certificate or
11 degree at an eligible institution with a cumulative grade point
12 average of at least 3.0 on a four-point scale or the equivalent:

13 (1) within:

14 (A) four calendar years after the date the
15 student initially enrolled in the institution or another eligible
16 institution if:

17 (i) the institution is a four-year
18 institution; and

19 (ii) the student is awarded a degree other
20 than a degree in engineering, architecture, or any other program
21 determined by the coordinating board to require more than four
22 years to complete;

23 (B) five calendar years after the date the
24 student initially enrolled in the institution or another eligible

1 institution if:

2 (i) the institution is a four-year
3 institution; and

4 (ii) the student is awarded a degree in
5 engineering, architecture, or any other program determined by the
6 coordinating board to require more than four years to complete; or

7 (C) two years after the date the student
8 initially enrolled in the institution or another eligible
9 institution if the institution is a public junior college or public
10 technical institute; or

11 (2) with a total number of semester credit hours,
12 including transfer credit hours and excluding hours earned
13 exclusively by examination, hours earned for a course for which the
14 student received credit toward the student's high school academic
15 requirements, and hours earned for developmental coursework that an
16 institution of higher education required the student to take under
17 Section 51.3062 or under the former provisions of Section 51.306,
18 that is not more than six hours more than the minimum number of
19 semester credit hours required to complete the certificate or
20 degree.

21 (b) A student who receives a Texas B-On-time loan and does
22 not qualify for loan forgiveness under Subsection (a) shall be
23 forgiven 50 percent of the amount of the student's loan if the
24 student is awarded an undergraduate degree at an eligible four-year
25 institution or eligible institution that offers only junior-level
26 and senior-level undergraduate courses with a cumulative grade
27 point average of at least 2.5 on a four-point scale or the

1 equivalent within five calendar years after the date the student
2 initially enrolled in the institution or another eligible
3 institution.

4 SECTION 2. Section 56.462(b), Education Code, as added by
5 this Act, applies only to a student who is awarded an undergraduate
6 degree on or after the effective date of this Act, without regard to
7 when the student is awarded a Texas B-On-time loan.

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