

1-1 By: Zaffirini S.B. No. 1496
1-2 (In the Senate - Filed March 8, 2007; March 20, 2007, read
1-3 first time and referred to Subcommittee on Higher Education;
1-4 April 12, 2007, reported favorably from Committee on Education by
1-5 the following vote: Yeas 6, Nays 0; April 12, 2007, sent to
1-6 printer.)

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to the partial forgiveness of Texas B-On-time loans for
1-10 certain graduates of four-year public and private institutions of
1-11 higher education.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 56.462, Education Code, is amended to
1-14 read as follows:

1-15 Sec. 56.462. LOAN FORGIVENESS. (a) A student who receives
1-16 a Texas B-On-time loan shall be forgiven the amount of the student's
1-17 loan if the student is awarded an undergraduate certificate or
1-18 degree at an eligible institution with a cumulative grade point
1-19 average of at least 3.0 on a four-point scale or the equivalent:

1-20 (1) within:

1-21 (A) four calendar years after the date the
1-22 student initially enrolled in the institution or another eligible
1-23 institution if:

1-24 (i) the institution is a four-year
1-25 institution; and

1-26 (ii) the student is awarded a degree other
1-27 than a degree in engineering, architecture, or any other program
1-28 determined by the coordinating board to require more than four
1-29 years to complete;

1-30 (B) five calendar years after the date the
1-31 student initially enrolled in the institution or another eligible
1-32 institution if:

1-33 (i) the institution is a four-year
1-34 institution; and

1-35 (ii) the student is awarded a degree in
1-36 engineering, architecture, or any other program determined by the
1-37 coordinating board to require more than four years to complete; or

1-38 (C) two years after the date the student
1-39 initially enrolled in the institution or another eligible
1-40 institution if the institution is a public junior college or public
1-41 technical institute; or

1-42 (2) with a total number of semester credit hours,
1-43 including transfer credit hours and excluding hours earned
1-44 exclusively by examination, hours earned for a course for which the
1-45 student received credit toward the student's high school academic
1-46 requirements, and hours earned for developmental coursework that an
1-47 institution of higher education required the student to take under
1-48 Section 51.3062 or under the former provisions of Section 51.306,
1-49 that is not more than six hours more than the minimum number of
1-50 semester credit hours required to complete the certificate or
1-51 degree.

1-52 (b) A student who receives a Texas B-On-time loan and does
1-53 not qualify for loan forgiveness under Subsection (a) shall be
1-54 forgiven 50 percent of the amount of the student's loan if the
1-55 student is awarded an undergraduate degree at an eligible four-year
1-56 institution or eligible institution that offers only junior-level
1-57 and senior-level undergraduate courses with a cumulative grade
1-58 point average of at least 2.5 on a four-point scale or the
1-59 equivalent within five calendar years after the date the student
1-60 initially enrolled in the institution or another eligible
1-61 institution.

1-62 SECTION 2. Subsection (b), Section 56.462, Education Code,
1-63 as added by this Act, applies only to a student who is awarded an
1-64 undergraduate degree on or after the effective date of this Act,

2-1 without regard to when the student is awarded a Texas B-On-time
2-2 loan.

2-3 SECTION 3. This Act takes effect immediately if it receives
2-4 a vote of two-thirds of all the members elected to each house, as
2-5 provided by Section 39, Article III, Texas Constitution. If this
2-6 Act does not receive the vote necessary for immediate effect, this
2-7 Act takes effect September 1, 2007.

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