



13 MAY 14 AM 9:39
HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. _____

BY: _____

Helen Giddings

Amend C.S.S.B. No. 215 (house committee printing) as follows:

(1) On page 2, lines 3-4, strike "Subdivisions (2) and (3), Section 56.451, Education Code, are amended" and substitute "Section 56.451, Education Code, is amended by amending Subdivisions (2) and (3) and adding Subdivisions (4) and (5)".

(2) On page 2, between lines 16 and 17, insert the following:

(4) "Administering entity" means the coordinating board or institution of higher education, as applicable, that administers the Texas B-On-time loan program for students enrolled at one or more institutions.

(5) "Program" means the Texas B-On-time loan program.

(3) On page 2, between lines 22 and 23, insert the following appropriately numbered SECTION:

SECTION _____. Section 56.453, Education Code, is amended to read as follows:

Sec. 56.453. ADMINISTRATION OF PROGRAM; RULES. (a) Each eligible institution that sets aside a portion of the tuition charged to students of the institution under Section 56.465 shall administer the Texas B-On-time loan program for students enrolled at that institution and shall adopt rules for that purpose.

(b) The coordinating board shall:

(1) administer the Texas B-On-time loan program for students enrolled at eligible institutions that are private or independent institutions of higher education; and

(2) ~~[determine the repayment and other terms of a Texas B-On-time loan; and~~

~~[(3)]~~ in consultation with the student financial aid officers of those eligible institutions, adopt any rules necessary

1 to implement the program or this subchapter for students enrolled
2 at those institutions.

3 (c) An administering entity:

4 (1) shall determine the repayment and other terms of a
5 Texas B-On-time loan awarded by the entity; and

6 (2) [~~(b) The coordinating board~~] may charge and
7 collect a loan origination fee from a person who receives a Texas
8 B-On-time loan awarded by the entity to be used by the entity
9 ~~[board]~~ to pay for the operating expenses for making loans under
10 this subchapter.

11 (d) [~~(c)~~] The total amount of Texas B-On-time loans awarded
12 may not exceed the amount available in the applicable Texas
13 B-On-time student loan account under Section 56.463.

14 (4) Strike page 3, line 27, through page 4, line 2, and
15 substitute the following:

16 (5) comply with any additional nonacademic
17 requirement adopted by the administering entity for the institution
18 at which the student enrolls ~~[coordinating board]~~ under this
19 subchapter.

20 (5) On page 5, strike lines 1-2 and substitute the
21 following:

22 (5) complies with any additional nonacademic
23 requirement adopted by the applicable administering entity
24 ~~[coordinating board]~~.

25 (6) On page 5, between lines 2-3, insert the following
26 appropriately numbered SECTION:

27 SECTION _____. Section 56.457, Education Code, is amended to
28 read as follows:

29 Sec. 56.457. WAIVER OF COURSE LOAD REQUIREMENT. (a) The
30 applicable administering entity ~~[coordinating board]~~ shall adopt
31 rules to allow a person who is otherwise eligible to receive a Texas

1 B-On-time loan, in the event of a hardship or other good cause, to
2 receive a Texas B-On-time loan while enrolled in a number of
3 semester credit hours that is less than the number of semester
4 credit hours required under Section 56.455 or 56.456, as
5 applicable.

6 (b) The administering entity [~~coordinating board~~] may not
7 allow a person to receive a Texas B-On-time loan while enrolled in
8 fewer than six semester credit hours.

9 (7) On page 5, line 3, strike "(a) and (b)" and substitute
10 "(a), (b), (e), and (f)".

11 (8) Strike page 5, lines 5-12, and substitute the following:

12 (a) The amount of a Texas B-On-time loan for a semester or
13 term for a student enrolled full-time at an eligible institution
14 other than an institution covered by Subsection (b) [~~, (c), or (d)~~]
15 is an amount determined by the applicable administering entity
16 [~~coordinating board~~] as the average [~~statewide~~] amount of tuition
17 and required fees that a resident student enrolled full-time in a
18 baccalaureate [~~an undergraduate~~] degree program would be charged
19 for that semester or term at the eligible institution at which the
20 student is enrolled [~~general academic teaching institutions~~].

21 (9) On page 5, between lines 19 and 20, insert the
22 following:

23 (e) Not later than January 31 of each year, the coordinating
24 board shall publish the amounts of each loan established by the
25 board for each type of institution for which the coordinating board
26 is the administering entity for the academic year beginning the
27 next fall semester.

28 (f) If in any academic year the amount of money in the
29 statewide Texas B-On-time student loan account is insufficient to
30 provide the loans to all eligible persons enrolled at institutions
31 for which the coordinating board is the administering entity in

1 amounts specified by this section, the coordinating board shall
2 determine the amount of available money and shall allocate that
3 amount to eligible institutions for which the coordinating board is
4 the administering entity in proportion to the number of full-time
5 equivalent undergraduate students enrolled at each institution.
6 Each institution shall use the money allocated to award Texas
7 B-On-time loans to eligible students enrolled at the institution
8 selected according to financial need.

9 (10) Insert the following appropriately numbered SECTIONS
10 to the bill:

11 SECTION _____. Section 56.460(a), Education Code, is amended
12 to read as follows:

13 (a) The coordinating board, in consultation with all
14 eligible institutions, shall prepare materials designed to inform
15 prospective students, their parents, and high school counselors
16 about the program and eligibility for a Texas B-On-time loan. The
17 coordinating board shall distribute to each eligible institution
18 and to each school district a copy of the materials prepared [~~rules~~
19 ~~adopted~~] under this subchapter.

20 SECTION _____. Subchapter Q, Chapter 56, Education Code, is
21 amended by adding Section 56.4621 to read as follows:

22 Sec. 56.4621. LOAN FORGIVENESS FOR TRANSFER STUDENTS. If a
23 student becomes eligible for forgiveness of the student's Texas
24 B-On-time loans under Section 56.462 and the student was awarded
25 Texas B-On-time loans while attending more than one eligible
26 institution, the student shall be forgiven all of the loans
27 regardless of which institution the student attended when the
28 student became eligible for forgiveness of the loans.

29 SECTION _____. Sections 56.463 and 56.464, Education Code,
30 are amended to read as follows:

31 Sec. 56.463. TEXAS B-ON-TIME STUDENT LOAN ACCOUNTS

1 ~~[ACCOUNT]~~. (a) The statewide Texas B-On-time student loan account
2 is an account in the general revenue fund. The account consists of
3 gifts and grants and legislative appropriations received under
4 Section 56.464~~[, tuition set aside under Section 56.465,]~~ and other
5 money required by law to be deposited in the account.

6 ~~[(b)]~~ Money in the ~~[Texas B-On-time student loan]~~ account
7 may be used only to pay any costs of the coordinating board related
8 to the operation of the Texas B-On-time loan program and as
9 otherwise provided by this subchapter.

10 (b) Each eligible institution that administers the program
11 for students enrolled at that institution shall establish a Texas
12 B-On-time student loan account at the institution. The account
13 consists of gifts and grants, any legislative appropriations
14 received under Section 56.464, tuition set aside at the institution
15 under Section 56.465, and other money required by law to be
16 deposited in the account. The account is considered institutional
17 funds of the institution. Money in the institution's Texas
18 B-On-time student loan account may be used only to pay any costs of
19 the institution related to the operation of the Texas B-On-time
20 loan program at the institution and as otherwise provided by this
21 subchapter.

22 Sec. 56.464. FUNDING. (a) The coordinating board and each
23 eligible institution may solicit and accept gifts and grants from
24 any public or private source for the purposes of this subchapter.

25 (b) The coordinating board may issue and sell general
26 obligation bonds under Subchapter F, Chapter 52, for the purposes
27 of this subchapter. An eligible institution that administers the
28 program for students enrolled at that institution, or the
29 university system of which the eligible institution is a component,
30 may issue and sell bonds, establish any necessary interest and
31 sinking funds, and provide appropriate security for those bonds, as

1 necessary to administer the program for those students.

2 (c) The coordinating board shall administer the program for
3 students at eligible institutions for which the coordinating board
4 is the administering entity using funds in the statewide Texas
5 B-On-time student loan account established for those institutions
6 under Section 56.463(a).

7 (d) The legislature may appropriate money for the purposes
8 of this subchapter.

9 SECTION _____. Section 56.465, Education Code, is amended to
10 read as follows:

11 Sec. 56.465. TUITION SET ASIDE FOR PROGRAM; UNUSED
12 SET-ASIDE MONEY. (a) The governing board of each institution of
13 higher education that charges tuition under Section 54.0513 shall
14 cause to be set aside five percent of the amount of the tuition
15 charged to a resident undergraduate student at the institution
16 under that section [~~Section 54.0513~~] in excess of \$46 per semester
17 credit hour. The amount of a student's tuition set aside under this
18 subsection is considered a part of the amount required to be set
19 aside from that tuition under Section 56.011.

20 (b) The amount of tuition set aside under Subsection (a)
21 shall be deposited to the credit of the Texas B-On-time student loan
22 account established by the institution under Section 56.463(b)
23 [~~56.463 or to the interest and sinking fund established by the~~
24 ~~coordinating board under Section 52.91(b) in accordance with the~~
25 ~~resolution of the board establishing such fund~~].

26 (c) If the amount of money deposited in the Texas B-On-time
27 student loan account established by an eligible institution under
28 Section 56.463(b) for the preceding five academic years exceeds the
29 amount necessary to administer the program for that period, the
30 institution may transfer not more than one-fifth of the excess
31 amount to an account established by the institution for that

1 purpose. Money in the account established under this subsection
2 may be used only:

3 (1) for providing additional money for Texas public
4 educational grants awarded by the institution under Subchapter C;
5 or

6 (2) for other purposes for which tuition set aside
7 under Subchapter B may be used, if the institution determines that
8 the amount in the account exceeds the amount necessary to fully fund
9 grants to eligible students at the institution under Subchapter C
10 for the next academic year.

11 SECTION _____. Subchapter Q, Chapter 56, Education Code, is
12 amended by adding Section 56.466 to read as follows:

13 Sec. 56.466. TRANSITION PROVISIONS FOR TRANSFER OF LOAN
14 PROGRAM TO PUBLIC INSTITUTIONS. (a) The coordinating board, in
15 consultation with institutions of higher education, shall develop
16 and adopt a transition plan to provide for the orderly and prompt
17 transfer of administration of the program from the coordinating
18 board to institutions of higher education that are authorized to
19 administer the program for students enrolled at those institutions.

20 (b) Subject to the other provisions of this section, the
21 transition plan shall permit institutions of higher education
22 authorized to administer the program for students enrolled at those
23 institutions to retain the tuition set aside under Section 56.465
24 beginning with tuition charged for the 2014-2015 academic year and
25 to begin administering the program for their own students for that
26 academic year. At the request of an institution authorized to
27 administer the program for its own students, the coordinating board
28 shall permit the institution to postpone to a later academic year
29 the transfer of administration of the program at that institution
30 and the retention of tuition set aside by the institution.

31 (c) The transition plan must provide for a portion of

1 tuition set aside at an eligible institution under Section 56.465
2 to continue to be deposited to the credit of the statewide Texas
3 B-On-time student loan account or to the interest and sinking fund
4 established by the coordinating board under Section 52.91(b) as
5 necessary to provide for the repayment of bonds issued on or before
6 September 1, 2013, to support the Texas B-On-time loan program. The
7 amount of tuition set aside at eligible institutions that continues
8 to be deposited to the credit of the statewide Texas B-On-time
9 student loan account or to the interest and sinking fund under this
10 subsection must be allocated among the affected eligible
11 institutions in proportion to the average amount of loans made
12 under this subchapter at those institutions for the 2009-2010,
13 2010-2011, 2011-2012, and 2012-2013 academic years.

14 (d) The transition plan may include any other provision the
15 coordinating board determines necessary to implement the transfer
16 of administration of the program to affected eligible institutions
17 that is not inconsistent with this subchapter, including provisions
18 necessary to ensure the repayment of outstanding state bonds and
19 obligations.

20 (e) The Texas B-On-time student loan account established in
21 the general revenue fund under this subchapter before January 1,
22 2013, is renamed as the statewide Texas B-On-time student loan
23 account.

24 (11) Renumber the SECTIONS of the bill appropriately.