

By: Zaffirini

S.B. No. 27

A BILL TO BE ENTITLED

AN ACT

relating to eligibility for a Texas B-on-Time loan.

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

SECTION 1. Section 56.451, Education Code, is amended as follows:

Sec. 56.451. DEFINITIONS. In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Eligible institution" means:

(A) an institution of higher education; or

(B) a private or independent institution of higher education.

(3) "General academic teaching institution" and "private or independent institution of higher education" ~~"public junior college," and "public technical institute"~~ have the meanings assigned by Section 61.003.

SECTION 2. Section 56.455, Education Code, is amended as follows:

Sec. 56.455. INITIAL ELIGIBILITY FOR LOAN. To be eligible initially for a Texas B-On-time loan, a person must:

(1) be a resident of this state under Section 54.052 or be entitled, as a child of a member of the armed forces of the United States, to pay tuition at the rate provided for residents of this state under Section 54.241;

(2) meet one of the following academic requirements:

(A) be a graduate of a public or private high school in this state who graduated not earlier than the 2002-2003 school year under the recommended or advanced high school program established under Section 28.025(a) or its equivalent;

(B) be a graduate of a high school operated by the United States Department of Defense who:

(i) graduated from that school not earlier than the 2002-2003 school year; and

(ii) at the time of graduation from that school was a dependent child of a member of the armed forces of the United States; or

(C) have received an associate degree from an eligible institution not earlier than May 1, 2005;

(3) be enrolled for a full course load for an undergraduate student, as determined by the coordinating board, in an undergraduate degree ~~or certificate program~~ at an eligible institution;

(4) be eligible for federal financial aid, except that a person is not required to meet any financial need requirement applicable to a particular federal financial aid program; and

(5) comply with any additional nonacademic requirement adopted by the coordinating board under this subchapter.

SECTION 3. Section 56.456, Education Code, is amended as follows:

Sec. 56.456. CONTINUING ELIGIBILITY AND ACADEMIC PERFORMANCE REQUIREMENTS. (a) After initially qualifying for a

1 Texas B-On-time loan, a person may continue to receive a Texas
2 B-On-time loan for each semester or term in which the person is
3 enrolled at an eligible institution only if the person:

4 (1) is enrolled for a full course load for an undergraduate
5 student, as determined by the coordinating board, in an
6 undergraduate degree ~~or certificate~~ program at an eligible
7 institution;

8 (2) is eligible for federal financial aid, except that a
9 person is not required to meet any financial need requirement
10 applicable to a particular federal financial aid program;

11 (3) makes satisfactory academic progress toward a degree ~~or~~
12 ~~certificate~~ as determined by the institution at which the person is
13 enrolled, if the person is enrolled in the person's first academic
14 year at the institution;

15 (4) completed at least 75 percent of the semester credit
16 hours attempted by the person in the most recent academic year and
17 has a cumulative grade point average of at least 2.5 on a four-point
18 scale or the equivalent on all coursework previously attempted at
19 institutions of higher education, if the person is enrolled in any
20 academic year after the person's first academic year; and

21 (5) complies with any additional nonacademic requirement
22 adopted by the coordinating board.

23 (b) If a person fails to meet any of the requirements of
24 Subsection (a) after the completion of any semester or term, the
25 person may not receive a Texas B-On-time loan for the next semester
26 or term in which the person enrolls. A person may become eligible
27 to receive a Texas B-On-time loan in a subsequent semester or term

if the person:

(1) completes a semester or term during which the person is not eligible for a Texas B-On-time loan; and

(2) meets all of the requirements of Subsection (a).

(c) A person who is eligible to receive a Texas B-On-time loan continues to remain eligible to receive the Texas B-On-time loan if the person enrolls in or transfers to another eligible institution.

~~(d) A person who qualifies for and subsequently receives a Texas B-On-time loan, who receives an undergraduate certificate or associate degree, and who, not later than the 12th month after the month the person receives the certificate or degree, enrolls in a program leading to a higher-level undergraduate degree continues to be eligible for a Texas B-On-time loan to the extent other eligibility requirements are met.~~

SECTION 4. Section 56.459, Education Code, is amended as follows:

Sec. 56.459. LOAN AMOUNT. (a) The amount of a Texas B-On-time loan for a semester or term for a student enrolled full-time at an eligible institution other than an institution covered by Subsection (b), ~~(c), or (d)~~ is an amount determined by the coordinating board as the average statewide amount of tuition and required fees that a resident student enrolled full-time in an undergraduate degree program would be charged for that semester or term at general academic teaching institutions.

(b) The amount of a Texas B-On-time loan for a student enrolled full-time at a private or independent institution of

1 higher education is an amount determined by the coordinating board
2 as the average statewide amount of tuition and required fees that a
3 resident student enrolled full-time in an undergraduate degree
4 program would be charged for that semester or term at general
5 academic teaching institutions.

6 ~~(c) The amount of a Texas B-On-time loan for a student~~
7 ~~enrolled full-time at a public technical institute is the amount~~
8 ~~determined by the coordinating board as the average statewide~~
9 ~~amount of tuition and required fees that a resident student~~
10 ~~enrolled full-time in an associate degree or certificate program~~
11 ~~would be charged for that semester or term at public technical~~
12 ~~institutes.~~

13 ~~(d) The amount of a Texas B-On-time loan for a student~~
14 ~~enrolled full-time at a public junior college is the amount~~
15 ~~determined by the coordinating board as the average statewide~~
16 ~~amount of tuition and required fees that a student who is a resident~~
17 ~~of the junior college district and is enrolled full-time in an~~
18 ~~associate degree or certificate program would be charged for that~~
19 ~~semester or term at public junior colleges.~~

20 ~~(e)~~(c) Not later than January 31 of each year, the
21 coordinating board shall publish the amounts of each loan
22 established by the board for each type of institution for the
23 academic year beginning the next fall semester.

24 ~~(f)~~(d) If in any academic year the amount of money in the
25 Texas B-On-time student loan account is insufficient to provide the
26 loans to all eligible persons in amounts specified by this section,
27 the coordinating board shall determine the amount of available

1 money and shall allocate that amount to eligible institutions in
2 proportion to the number of full-time equivalent undergraduate
3 students enrolled at each institution. Each institution shall use
4 the money allocated to award Texas B-On-time loans to eligible
5 students enrolled at the institution selected according to
6 financial need.

7 SECTION 5. Section 56.461, Education Code, is amended as
8 follows:

9 Sec. 56.461. LOAN PAYMENT DEFERRED. The repayment of a Texas
10 B-On-time loan received by a student under this subchapter is
11 deferred as long as the student remains continuously enrolled in an
12 undergraduate degree ~~or certificate~~ program at an eligible
13 institution.

14 SECTION 6. Section 56.462, Education Code, is amended as
15 follows:

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

21 (1) within:

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

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

27 (ii) the student is awarded a degree other than a

1 degree in engineering, architecture, or any other program
2 determined by the coordinating board to require more than four
3 years to complete; or

4 (B) five calendar years after the date the student
5 initially enrolled in the institution or another eligible
6 institution if:

7 (i) the institution is a four-year institution;
8 and

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

12 ~~(C) two years after the date the student initially~~
13 ~~enrolled in the institution or another eligible institution if the~~
14 ~~institution is a public junior college or public technical~~
15 ~~institute; or~~

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

26 SECTION 7. This Act take effect immediately if it receive a
27 vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2013.