By:  Zaffirini S.B. No. 1504

(In the Senate - Filed March 5, 2019; March 14, 2019, read first time and referred to Committee on Higher Education; April 16, 2019, reported adversely, with favorable Committee Substitute by the following vote: Yeas 9, Nays 0; April 16, 2019, sent to printer.)

COMMITTEE VOTE

               Yea Nay Absent  PNV

Creighton       X

West            X

Bettencourt     X

Buckingham      X

Flores          X

Menéndez        X

Powell          X

Taylor          X

Watson          X

COMMITTEE SUBSTITUTE FOR S.B. No. 1504 By:  Powell

A BILL TO BE ENTITLED

AN ACT

relating to the abolition of the B-On-time student loan account and the allocation of funds remaining in that account.

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

SECTION 1.  Sections 56.0092(d), (e), and (f), Education Code, are amended to read as follows:

(d)  On September 1, 2021 [~~2020~~], the Texas B-On-time student loan account is abolished, and any remaining money in the account, notwithstanding Subsection (b), may be appropriated only to eligible institutions in the manner provided by Subsection (e).

(e)  An appropriation under Subsection (d) must be made in accordance with a performance-based methodology [~~formula~~], adopted by coordinating board rule, that [~~the coordinating board determines fairly~~] allocates the appropriated amount to [~~those~~] eligible institutions based on the average number of bachelor's degrees awarded by each institution to at-risk students in the three most recent academic years for which that information is available [~~at which the Texas B-On-time student loan program was underutilized. For purposes of this subsection, the Texas B-On-time student loan program is considered to have been underutilized by students of an institution in any period if the institution's percentage of the total amount of tuition set aside by all institutions under the program during the period was greater than the institution's percentage of all students who received a Texas B-On-time student loan under the program for the same period. The coordinating board shall base the coordinating board's determination on a period of academic years occurring before the 2015-2016 academic year that the coordinating board considers representative of eligible institutions' student participation in the Texas B-On-time student loan program~~].

(f)  In this section:

(1)  "At-risk student" means an undergraduate student of an eligible institution:

(A)  who has previously received a grant under the federal Pell Grant program or met the Expected Family Contribution (EFC) criterion for a grant under that program; or

(B)  whose total score on the SAT or the ACT, excluding the optional essay test, is less than the national mean of students' scores on the applicable test.

(2)  "Eligible[~~, "eligible~~] institution" means a general academic teaching institution described by Section 56.451(2)(A) or a medical and dental unit described by Section 56.451(2)(B), as those paragraphs existed immediately before September 1, 2015.

SECTION 2.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

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