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H.B. No. 14

A BILL TO BE ENTITLED

1 AN ACT
2 relating to a student loan repayment assistance program for certain
3 full-time peace officers in this state.

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

5 SECTION 1. Chapter 61, Education Code, is amended by adding
6 Subchapter NN to read as follows:

7 SUBCHAPTER NN. PEACE OFFICER LOAN REPAYMENT ASSISTANCE PROGRAM

8 Sec. 61.9951. DEFINITION. In this subchapter, "peace
9 officer" has the meaning assigned by Article 2.12, Code of Criminal
10 Procedure.

11 Sec. 61.9952. LOAN REPAYMENT ASSISTANCE AUTHORIZED;
12 PURPOSE. The board shall establish and administer a program to
13 provide, in accordance with this subchapter and board rules, loan
14 repayment assistance in the repayment of eligible loans for
15 eligible persons who agree to continued employment as full-time
16 peace officers in this state for a specified period.

17 Sec. 61.9953. INITIAL ELIGIBILITY. To be eligible to
18 receive loan repayment assistance under this subchapter for the
19 first year for which the person seeks loan repayment assistance, a
20 person must:

21 (1) submit to the board an initial application for the
22 loan repayment assistance, in the manner and on a form prescribed by
23 board rule, that requires:

24 (A) employer verification of the person's

1 employment as a full-time peace officer in this state for at least
2 one year and the person's current employment as a peace officer in
3 this state as of the date of the application;

4 (B) a transcript of the person's postsecondary
5 course work; and

6 (C) a statement of the total amount of principal,
7 accrued interest, fees, and other charges due on all outstanding
8 eligible loans for which the person is applying for repayment
9 assistance;

10 (2) have earned at least 60 semester credit hours or
11 the equivalent at an institution of higher education or a private or
12 independent institution of higher education before the person's
13 initial employment as a peace officer;

14 (3) be currently employed, and have completed at least
15 one year of employment, as a full-time peace officer in this state;
16 and

17 (4) comply with any other requirement adopted by the
18 board under this subchapter.

19 Sec. 61.9954. CONTINUING ELIGIBILITY. (a) Except as
20 provided by Subsection (b), after initially qualifying for loan
21 repayment assistance under Section 61.9953, a person may continue
22 to receive loan repayment assistance in a subsequent year only if
23 the person annually submits an application, in the manner and on a
24 form prescribed by board rule, that requires employer verification
25 of the person's continuous employment as a full-time peace officer
26 in this state for the year ending immediately before the date the
27 application is submitted under this section.

1 (b) A person may not receive loan repayment assistance under
2 this subchapter for more than five years.

3 Sec. 61.9955. AWARD. (a) Except as provided by this
4 section, an eligible person is entitled to receive an annual amount
5 of loan repayment assistance payments under this subchapter payable
6 to the holders of the eligible person's eligible loans for each year
7 of eligibility approved by the board under Section 61.9953 or
8 61.9954 in an amount equal to the lesser of \$4,000 or 20 percent of
9 the total amount stated in the person's application under Section
10 61.9953, subject to the amount of available funding.

11 (b) If at the time an eligible person submits an initial
12 application under Section 61.9953 the payoff period for the
13 person's total outstanding balance of eligible loans is less than
14 five years, the board shall make annual payments under this
15 subchapter to the holders of the person's eligible loans in the
16 amounts of the payments and accrued interest due for the applicable
17 year.

18 (c) The total amount of repayment assistance provided under
19 this subchapter to an eligible person may not exceed \$20,000.

20 (d) If in any year the amount of money available for loan
21 repayment assistance under this subchapter is insufficient to
22 provide loan repayment assistance to cover all the payments for the
23 year for all eligible loans of all eligible persons, the board shall
24 establish criteria to determine the amount of available money to
25 allocate to the holders of student loans of eligible persons as the
26 board determines appropriate to further the purpose of this
27 subchapter.

1 (e) An eligible person whose annual loan repayment
2 assistance under this section is less than the amount necessary to
3 cover the amount of principal and interest due on the person's
4 eligible loans for that year is responsible for the payment of the
5 remainder of the amount due and for otherwise preventing a default
6 on the loan.

7 Sec. 61.9956. ELIGIBLE LOANS. (a) The board may provide
8 loan repayment assistance under this subchapter for the repayment
9 of any student loan received by an eligible person through any
10 lender for the cost of attendance at an institution of higher
11 education or a private or independent institution of higher
12 education for a semester or other term that ended in the five years
13 immediately preceding the person's initial employment as a peace
14 officer.

15 (b) If the loan is not a state or federal guaranteed student
16 loan, the promissory note or other loan agreement document
17 governing the terms of the loan must require all the loan proceeds
18 to be used for expenses incurred by a person in attending an
19 institution of higher education or a private or independent
20 institution of higher education.

21 (c) The board may not provide loan repayment assistance
22 under this subchapter for an eligible loan that is in default on the
23 date the person's application for loan repayment assistance is
24 submitted under Section 61.9953 or 61.9954.

25 Sec. 61.9957. PAYMENT OF LOAN REPAYMENT ASSISTANCE. (a)
26 The board shall pay any loan repayment assistance under this
27 subchapter in a lump sum delivered on the eligible person's behalf

1 directly to the holder of the loan.

2 (b) Loan repayment assistance provided under this
3 subchapter may be applied to any amount due on the loan.

4 (c) Each state fiscal biennium, the board shall attempt to
5 allocate all money available to the board for the purpose of
6 providing loan repayment assistance under this subchapter.

7 Sec. 61.9958. GIFTS, GRANTS, AND DONATIONS. The board may
8 solicit and accept gifts, grants, and other donations from any
9 public or private source for the purposes of this subchapter.

10 Sec. 61.9959. RULES; POSTING REQUIRED. (a) The board shall
11 adopt rules necessary for the administration of this subchapter.

12 (b) The board shall post on the board's Internet website a
13 copy of the rules adopted under this subchapter and information
14 regarding the program established under this subchapter.

15 SECTION 2. The Texas Higher Education Coordinating Board
16 shall adopt rules for the peace officer loan repayment assistance
17 program under Subchapter NN, Chapter 61, Education Code, as added
18 by this Act, not later than December 1, 2019.

19 SECTION 3. This Act takes effect September 1, 2019.