

1-1 By: Hancock, Bettencourt S.B. No. 16  
 1-2 (In the Senate - Filed March 8, 2019; March 11, 2019, read  
 1-3 first time and referred to Committee on Higher Education;  
 1-4 April 8, 2019, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 9, Nays 0; April 8, 2019,  
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 16 By: Buckingham

1-19 A BILL TO BE ENTITLED  
 1-20 AN ACT

1-21 relating to a student loan repayment assistance program for certain  
 1-22 full-time peace officers in this state.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Chapter 61, Education Code, is amended by adding  
 1-25 Subchapter NN to read as follows:

1-26 SUBCHAPTER NN. PEACE OFFICER LOAN REPAYMENT ASSISTANCE PROGRAM

1-27 Sec. 61.9951. DEFINITION. In this subchapter, "peace  
 1-28 officer" has the meaning assigned by Article 2.12, Code of Criminal  
 1-29 Procedure.

1-30 Sec. 61.9952. LOAN REPAYMENT ASSISTANCE AUTHORIZED;  
 1-31 PURPOSE. The board shall establish and administer a program to  
 1-32 provide, in accordance with this subchapter and board rules, loan  
 1-33 repayment assistance in the repayment of eligible loans for  
 1-34 eligible peace officers who agree to continued employment as  
 1-35 full-time peace officers in this state for a specified period.

1-36 Sec. 61.9953. INITIAL ELIGIBILITY; AGREEMENT REQUIREMENTS.

1-37 (a) To be eligible to receive loan repayment assistance under this  
 1-38 subchapter for the first year for which the person seeks loan  
 1-39 repayment assistance, a person must:

1-40 (1) submit to the board an initial application for the  
 1-41 loan repayment assistance, in the manner and on a form prescribed by  
 1-42 board rule, that requires:

1-43 (A) employer verification of the person's  
 1-44 employment as a full-time peace officer in this state for at least  
 1-45 four consecutive years and the person's current employment as a  
 1-46 peace officer in this state as of the date of the application; and

1-47 (B) a transcript of the person's postsecondary  
 1-48 course work;

1-49 (2) have completed an undergraduate or graduate  
 1-50 program at a general academic teaching institution or a private or  
 1-51 independent institution of higher education;

1-52 (3) be currently employed, and have completed at least  
 1-53 four consecutive years of employment, as a full-time peace officer  
 1-54 in this state;

1-55 (4) enter into an agreement with the board under  
 1-56 Subsection (b); and

1-57 (5) comply with any other requirement adopted by the  
 1-58 board under this subchapter.

1-59 (b) To receive loan repayment assistance under this  
 1-60 subchapter, a person must enter into an agreement with the board:

2-1                   (1) under which the person:

2-2                   (A) agrees to complete four additional

2-3 consecutive years of employment as a full-time peace officer in

2-4 this state in exchange for an amount of loan repayment assistance in

2-5 each of those years as provided by Section 61.9956; and

2-6                   (B) acknowledges the conditional nature of the

2-7 loan repayment assistance; and

2-8                   (2) that states the total amount of principal, accrued

2-9 interest, fees, and other charges due on all outstanding eligible

2-10 loans for which the person is applying for repayment assistance.

2-11                   Sec. 61.9954. CONTINUING ELIGIBILITY. (a) Except as

2-12 provided by Subsection (b), after initially qualifying for loan

2-13 repayment assistance under Section 61.9953, a person may continue

2-14 to receive loan repayment assistance in a subsequent year only if

2-15 the person annually submits an application, in the manner and on a

2-16 form prescribed by board rule, that requires employer verification

2-17 of the person's continuous employment as a full-time peace officer

2-18 in this state for the year ending immediately before the date the

2-19 application is submitted under this section.

2-20                   (b) A person may not receive loan repayment assistance under

2-21 this subchapter for more than four years.

2-22                   Sec. 61.9955. EXCEPTION TO CONSECUTIVE YEARS OF FULL-TIME

2-23 EMPLOYMENT REQUIREMENT. The board shall excuse an otherwise

2-24 eligible person from a requirement imposed by Section 61.9953 or

2-25 61.9954 that the employment qualifying the person for loan

2-26 repayment assistance be performed in consecutive years if the break

2-27 in employment is a result of the person's:

2-28                   (1) service on active duty as a member of the armed

2-29 forces of the United States, including as a member of a reserve or

2-30 National Guard unit called for active duty;

2-31                   (2) temporary total disability for a period of not

2-32 more than 36 months, as established by the affidavit of a qualified

2-33 physician;

2-34                   (3) inability to secure employment as required by

2-35 Section 61.9953 or 61.9954 for a period not to exceed 12 months

2-36 because of care required for a disabled spouse or child;

2-37                   (4) inability, despite reasonable efforts, to secure

2-38 for a single period not to exceed 12 months employment as required

2-39 by Section 61.9953 or 61.9954; or

2-40                   (5) satisfaction of the provisions of any other

2-41 exception adopted by the board for purposes of this section.

2-42                   Sec. 61.9956. AWARD. (a) Except as provided by this

2-43 section, an eligible person is entitled to receive an annual amount

2-44 of loan repayment assistance payments under this subchapter payable

2-45 to the holders of the eligible person's eligible loans for each year

2-46 of eligibility approved by the board under Section 61.9953 or

2-47 61.9954 in the following amounts, subject to the amount of

2-48 available funding:

2-49                   (1) the lesser of \$3,000 or 10 percent of the amount

2-50 described in Section 61.9953(b)(2) for the first year of

2-51 eligibility;

2-52                   (2) the lesser of \$6,000 or 20 percent of the amount

2-53 described in Section 61.9953(b)(2) for the second year of

2-54 eligibility;

2-55                   (3) the lesser of \$9,000 or 30 percent of the amount

2-56 described in Section 61.9953(b)(2) for the third year of

2-57 eligibility; and

2-58                   (4) the lesser of \$12,000 or 40 percent of the amount

2-59 described in Section 61.9953(b)(2) for the fourth year of

2-60 eligibility.

2-61                   (b) The total amount of repayment assistance provided under

2-62 this subchapter to an eligible person may not exceed \$30,000.

2-63                   (c) If in any year the amount of money available for loan

2-64 repayment assistance under this subchapter is insufficient to

2-65 provide loan repayment assistance to cover all the payments for the

2-66 year for all eligible loans of all eligible persons, the board shall

2-67 establish criteria to determine the amount of available money to

2-68 allocate to the holders of student loans of eligible persons as the

2-69 board determines appropriate to further the purpose of this

3-1 subchapter.  
 3-2 (d) An eligible person whose annual loan repayment  
 3-3 assistance under this section is less than the amount necessary to  
 3-4 cover the amount of principal and interest due on the person's  
 3-5 eligible loans for that year is responsible for the payment of the  
 3-6 remainder of the amount due and for otherwise preventing a default  
 3-7 on the loan.

3-8 Sec. 61.9957. ELIGIBLE LOANS. (a) The board may provide  
 3-9 loan repayment assistance under this subchapter for the repayment  
 3-10 of any student loan received by an eligible person through any  
 3-11 lender for the cost of attendance at an institution of higher  
 3-12 education or a private or independent institution of higher  
 3-13 education.

3-14 (b) If the loan is not a state or federal guaranteed student  
 3-15 loan, the promissory note or other loan agreement document  
 3-16 governing the terms of the loan must require all the loan proceeds  
 3-17 to be used for expenses incurred by a person in attending a  
 3-18 postsecondary educational institution.

3-19 (c) The board may not provide loan repayment assistance  
 3-20 under this subchapter for an eligible loan that is in default on the  
 3-21 date the person's application for loan repayment assistance is  
 3-22 submitted under Section 61.9953 or 61.9954.

3-23 Sec. 61.9958. PAYMENT OF LOAN REPAYMENT ASSISTANCE.

3-24 (a) The board shall pay any loan repayment assistance under this  
 3-25 subchapter in a lump sum delivered on the eligible person's behalf  
 3-26 directly to the holder of the loan.

3-27 (b) Loan repayment assistance provided under this  
 3-28 subchapter may be applied to any amount due on the loan.

3-29 (c) Each state fiscal biennium, the board shall attempt to  
 3-30 allocate all money available to the board for the purpose of  
 3-31 providing loan repayment assistance under this subchapter.

3-32 Sec. 61.9959. PEACE OFFICER LOAN REPAYMENT ASSISTANCE  
 3-33 PROGRAM INVESTMENT FUND. (a) In this section, "fund" means the  
 3-34 peace officer loan repayment assistance program investment fund.

3-35 (b) The fund is a dedicated account in the general revenue  
 3-36 fund and consists of:

3-37 (1) gifts, grants, and other donations received from  
 3-38 any public or private source for the fund; and

3-39 (2) interest and other earnings from the investment of  
 3-40 the fund.

3-41 (c) The fund may be used only to provide loan repayment  
 3-42 assistance for the repayment of loans eligible under Section  
 3-43 61.9957, including any related administrative costs.

3-44 (d) The fund is exempt from the application of Sections  
 3-45 403.095 and 404.071, Government Code.

3-46 (e) The board may accept grants, gifts, and other donations  
 3-47 from any public or private source for the purposes of this  
 3-48 subchapter. All money received under this subchapter shall be  
 3-49 deposited in the fund.

3-50 Sec. 61.9960. RULES. The board shall adopt rules necessary  
 3-51 for the administration of this subchapter, including rules  
 3-52 providing for:

3-53 (1) the manner in which a person may apply for loan  
 3-54 repayment assistance; and

3-55 (2) a method of awarding loan repayment assistance  
 3-56 under this subchapter that gives first priority to applicants who  
 3-57 are renewing their applications for loan repayment assistance  
 3-58 provided under this subchapter.

3-59 SECTION 2. The Texas Higher Education Coordinating Board  
 3-60 shall adopt rules for the peace officer loan repayment assistance  
 3-61 program under Subchapter NN, Chapter 61, Education Code, as added  
 3-62 by this Act, not later than December 1, 2019.

3-63 SECTION 3. This Act takes effect September 1, 2019.

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