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By:  Zaffirini S.B. No. 32

A BILL TO BE ENTITLED

AN ACT

relating to a student loan repayment assistance program for certain professionals for exceptional service to the State of Texas during the coronavirus pandemic.

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

SECTION 1.  This Act shall be known as the Thanking Our Frontline Heroes Student Loan Relief Act.

SECTION 2.  Chapter 61, Education Code, is amended by adding Subchapter NO to read as follows:

SUBCHAPTER NO: FRONTLINE WORKERS LOAN REPAYMENT ASSISTANCE PROGRAM

Sec. 61.9961.  DEFINITION. (a) In this subchapter, "frontline worker" means any person providing health, education, public safety, or other necessary support services related to the coronavirus pandemic, as determined by the board.

(b)  The board, in consultation with relevant state agencies, shall develop a list of occupations that can qualify as a frontline worker, which shall include:

(1)  employees of public schools, open enrollment charter schools, and private schools;

(2)  employees of public and private institutions of higher education;

(3)  peace officers;

(4)  fire fighters;

(5)  emergency medical technicians;

(6)  medical professionals, including doctors, physician assistants, nurses, nurse practitioners, mental health professionals, and hospital support personnel;

(7)  employees of nursing homes, state supported living centers, or similar long-term care facilities;

(8)  employees of child care facilities;

(9)  social workers; and

(10)  members of the Texas military forces, United State armed forces, or a reserve component of the armed forces who participated in coronavirus-related service.

Sec. 61.9962.  LOAN REPAYMENT ASSISTANCE AUTHORIZED; PURPOSE. The board shall establish and administer a program to provide, in accordance with this subchapter and board rules, loan repayment assistance in the repayment of eligible loans for eligible frontline workers who provided necessary services during the coronavirus pandemic.

Sec. 61.9963.  ELIGIBILITY. (a) To be eligible to receive loan repayment assistance under this subchapter, a person must:

(1)  be a Texas resident at the time of application;

(2)  for a substantial portion, as determined by board rules, of the period between March 15, 2020 and December 31, 2020, have been employed as a frontline worker; and

(3)  submit to the board an application for the loan repayment assistance, in the manner and on a form prescribed by the board, that requires:

(A)  employer verification or other documentation, as established by board rule, of the person's employment as a frontline worker in the specified period of time; and

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

(4)  have earned a degree or certification from a public or private institution of higher education or earned at least 30 semester credit hours before the person's initial employment as a frontline worker; and

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

(b)  The board shall establish by rule a time period during which applications may be submitted of no less than 90 calendar days.

Sec. 61.9964.  AWARD. (a) Except as provided by this section, an eligible person is entitled to receive an amount of loan repayment assistance under this chapter payable to the holders of the eligible person's eligible loans in an amount equal to the lesser of $5,000 or the balance of the total amount stated in the person's application under Sec. 61.9963, subject to the amount of available funding.

(b)  An eligible person may receive only one award under this subchapter.

(c)  If the amount of money available for loan repayment assistance under this subchapter is insufficient to provide loan repayment assistance to all eligible persons, the board shall establish criteria to determine the amount of available money to allocate to the holders of student loans of eligible persons as the board determines appropriate to further the purpose of this subchapter.

(d)  An eligible person whose loan repayment assistance under this section is less than the amount necessary to cover the amount of principal and interest due on the person's eligible loans for the period in which the award is disbursed is responsible for the payment of the remainder of the amount due and for otherwise preventing a default on the loan.

Sec. 61.6695.  ELIGIBLE LOANS. (a) The board may provide loan repayment assistance under this subchapter for the repayment of any student loan received by an eligible person through any lender for the cost of attendance at an institution of higher education or a private or independent institution of higher education.

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

Sec. 61.9966.  PAYMENT OF LOAN REPAYMENT ASSISTANCE. (a) The board shall pay any loan repayment assistance under this subchapter in a lump sum delivered on the eligible person's behalf directly to the holder of the loan.

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

(c)  The board shall attempt to allocate all money available to the board for the purpose of providing loan repayment assistance under this subchapter.

Sec. 61.9967.  GIFTS, GRANTS, AND DONATIONS. The board may solicit and accept gifts, grants, and other donations from any public or private source for the purposes of this subchapter.

Sec. 61.9968.  RULES; POSTING REQUIRED. (a) The board shall adopt rules necessary for the administration of this subchapter.

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

(c)  The board may advertise in any available media or otherwise promote the loan repayment assistance program to further the purposes of this chapter.

Sec. 61.9969.  EXPIRATION. This subchapter expires December 31, 2022.

SECTION 3.  The Texas Higher Education Coordinating Board shall adopt rules for the frontline workers loan repayment assistance program under Subchapter NO, Chapter 61, Education Code, as added by this Act, not later than December 1, 2021.

SECTION 4.  This Act takes effect September 1, 2021.