

By: Guillen

H.B. No. 319

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the interest rate for student loans issued by the Texas
3 Higher Education Coordinating Board.

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

5 SECTION 1. Section [52.321](#), Education Code, is amended to
6 read as follows:

7 Sec. 52.321. STANDARDS CONCERNING ABILITY TO REPAY CERTAIN
8 LOANS. In establishing requirements to be met by applicants for
9 student loans authorized by the board under this chapter, the board
10 may not establish standards relating to demonstration of ability to
11 repay a federally insured student loan that are stricter for a
12 certain class of applicants than for other applicants, except:

13 (1) in cases where the applicant attends a school with
14 a loan default rate of 15 percent or more; or

15 (2) as provided by Section [52.36](#).

16 SECTION 2. Section [52.36](#), Education Code, is amended to
17 read as follows:

18 Sec. 52.36. LOAN INTEREST AND FEES. (a) The board shall
19 ~~[from time to time]~~ fix the interest to be charged for a ~~[any]~~
20 student loan at a rate that ensures that the average interest rate
21 fixed for student loans under this chapter is sufficient to pay the
22 interest on outstanding bonds, any expenses incident to their
23 issuance, sale, and retirement, and all or a portion of the board's
24 expenses related to the operation of the student loan program.

1 (b) In fixing the interest rate for a student loan, the
2 board shall ensure that the rate corresponds to the risk that the
3 applicant will timely repay the loan, determined according to the
4 following factors and using the most recent data available:

5 (1) whether the applicant's proposed degree or
6 certificate program leads to a high-demand occupation in the region
7 of the participating higher educational institution at which the
8 applicant is enrolled;

9 (2) the projected salary or wages for the occupation
10 identified under Subdivision (1); and

11 (3) the percentage of the participating higher
12 educational institution's students in the applicant's proposed
13 degree or certificate program who obtain employment in that field
14 after graduation.

15 (c) Interest shall be postponed by the board as long as a
16 student is enrolled at a participating institution and may be
17 postponed at the board's discretion as long as a student is enrolled
18 at any other higher educational institution, provided that the
19 total interest paid is to be equal to that fixed at the time the note
20 evidencing the loan is executed.

21 (d) [~~(b)~~] The board may charge and collect loan origination
22 fees from borrowers for use in offsetting in whole or in part the
23 operating expenses for the loans.

24 SECTION 3. This Act applies beginning with student loans
25 issued for the 2026 spring semester.

26 SECTION 4. This Act takes effect September 1, 2025.