

By: Kolkhorst, Sheffield

H.B. No. 518

Substitute the following for H.B. No. 518:

By: Hodge

C.S.H.B. No. 518

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to a pilot program to provide student loan repayment  
3 assistance to certain correctional officers who graduate from Sam  
4 Houston State University or certain other institutions of higher  
5 education.

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

7 SECTION 1. Chapter 61, Education Code, is amended by adding  
8 Subchapter FF to read as follows:

9 SUBCHAPTER FF. CORRECTIONAL OFFICER LOAN REPAYMENT

10 ASSISTANCE PILOT PROGRAM

11 Sec. 61.9781. DEFINITIONS. In this subchapter:

12 (1) "Correctional officer" means a correctional  
13 officer employed in a confinement facility operated by the Texas  
14 Department of Criminal Justice.

15 (2) "Trust fund" means the correctional officer loan  
16 repayment assistance trust fund.

17 Sec. 61.9782. REPAYMENT AUTHORIZED. The board shall  
18 establish a pilot program to provide, using money in the trust fund  
19 and in accordance with this subchapter and rules of the board,  
20 assistance in the repayment of student loans for correctional  
21 officers who apply and qualify for the assistance.

22 Sec. 61.9783. ELIGIBILITY. To be eligible to receive  
23 repayment assistance, a correctional officer must:

24 (1) have received a baccalaureate degree from Sam

1 Houston State University or from another general academic teaching  
2 institution that is selected to participate in the program by the  
3 board under Section 61.9789(b) if the board expands the program to  
4 include an additional general academic teaching institution;

5 (2) establish to the board that:

6 (A) the repayment assistance will be used to  
7 repay any part of a student loan received by the correctional  
8 officer to cover the officer's cost of attendance in connection  
9 with enrollment in junior-level or senior-level course work in the  
10 baccalaureate degree program at the institution;

11 (B) during the period of the correctional  
12 officer's enrollment at the institution as described by Paragraph  
13 (A), the officer:

14 (i) was employed full-time as a  
15 correctional officer in this state;

16 (ii) was classified as a resident of this  
17 state under Subchapter B, Chapter 54;

18 (iii) established financial need as  
19 determined by board rule; and

20 (iv) maintained good academic standing at  
21 the institution as determined by board rule; and

22 (C) the correctional officer has not committed an  
23 offense:

24 (i) under Chapter 39, Penal Code;

25 (ii) under Section 38.11 or 38.114, Penal  
26 Code;

27 (iii) under any other provision of the

1 Penal Code in which the victim was a person in the custody of the  
2 Texas Department of Criminal Justice at the time the offense  
3 occurred; or

4 (iv) the elements of which are equivalent  
5 to a criminal offense under the law of another state, federal law,  
6 or the law of a foreign government;

7 (3) complete at least two full years of employment as a  
8 full-time correctional officer in this state not later than the  
9 second anniversary of the date of the person's graduation from the  
10 institution; and

11 (4) comply with any other requirements adopted by  
12 board rule under this subchapter.

13 Sec. 61.9784. ELIGIBLE LOANS. (a) The board may provide  
14 repayment assistance for the repayment of any student loan received  
15 by an eligible correctional officer through any lender for the cost  
16 of attendance for enrollment at Sam Houston State University or at  
17 another general academic teaching institution that is selected by  
18 the board to participate in the program under Section 61.9789(b).

19 (b) The board may withhold repayment assistance for a  
20 student loan that is in default at the time of the correctional  
21 officer's application.

22 (c) Subject to Sections 61.9785 and 61.9788, in each state  
23 fiscal biennium the board shall attempt to allocate all funds  
24 available in the trust fund for the purpose of providing repayment  
25 assistance under this subchapter.

26 Sec. 61.9785. REPAYMENT. (a) The board shall deliver any  
27 repayment under this subchapter in a lump sum:

1           (1) payable to both the lender or other holder of the  
2 loan and the correctional officer; or

3           (2) on the correctional officer's behalf directly to  
4 the lender or other holder of the loan.

5           (b) A repayment under this subchapter may be applied to any  
6 amount due in connection with the loan.

7           (c) The board may grant prior conditional approval to a  
8 correctional officer who completes each eligibility requirement  
9 under Section 61.9783 other than the requirement under Section  
10 61.9783(3) and may reserve money in the trust fund for disbursement  
11 under this subchapter on the officer's completion of that  
12 requirement.

13           Sec. 61.9786. RULES. (a) The board shall adopt rules  
14 necessary to administer this subchapter. The board may consult  
15 with the Texas Department of Criminal Justice to assist the board in  
16 establishing priorities among eligible correctional officers for  
17 repayment assistance.

18           (b) The board shall distribute to Sam Houston State  
19 University, any other general academic teaching institution that is  
20 selected by the board to participate in the program under Section  
21 61.9789(b), each public junior college, and appropriate state  
22 agencies and professional associations copies of the rules adopted  
23 under this section and other pertinent information relating to this  
24 subchapter.

25           Sec. 61.9787. AMOUNT OF REPAYMENT ASSISTANCE. (a) The loan  
26 repayment amount for one year of full-time employment as a  
27 correctional officer beginning two years after graduation from Sam

1 Houston State University or from another general academic teaching  
2 institution that is selected by the board to participate in the  
3 program under Section 61.9789(b) may not exceed the cost of  
4 attendance for the officer to enroll in 30 semester credit hours of  
5 junior-level or senior-level course work at the institution, as  
6 applicable.

7 (b) The total amount of repayment assistance distributed by  
8 the board under this subchapter may not exceed the total amount of  
9 gifts and grants accepted by the board for repayment assistance,  
10 legislative appropriations for repayment assistance, and other  
11 funds available to the board for purposes of this subchapter.

12 Sec. 61.9788. TRUST FUND. (a) The board shall award  
13 repayment assistance under this subchapter from the amount  
14 available in the trust fund. The trust fund is established outside  
15 the treasury but is held in trust by the comptroller. Money in the  
16 trust fund may be spent without appropriation and only to fund the  
17 pilot program. Interest and income from the assets of the trust  
18 fund shall be credited to and deposited in the trust fund. In each  
19 state fiscal year the board may spend from the trust fund to cover  
20 the costs of administering this subchapter an amount not to exceed  
21 2.5 percent of the total amount of money deposited into the trust  
22 fund in that fiscal year.

23 (b) The board may solicit and accept gifts and grants from  
24 any public or private source for the purposes of this subchapter and  
25 shall deposit a gift or grant to the credit of the trust fund.

26 (c) The legislature may appropriate money to the trust fund.

27 Sec. 61.9789. EVALUATION OF PILOT PROGRAM. (a) The board

1 shall evaluate the effectiveness of the pilot program established  
2 under this subchapter and report the results of the evaluation to  
3 the legislature not later than December 31 of each even-numbered  
4 year.

5 (b) If the board determines that expansion of the program  
6 would enhance the effectiveness of the program or improve the  
7 board's ability to evaluate the program, the board by rule may  
8 expand the program to include as eligible to receive repayment  
9 assistance under Section 61.9783 a correctional officer who:

10 (1) received a baccalaureate degree from a general  
11 academic teaching institution other than Sam Houston State  
12 University that is located near a confinement facility operated by  
13 the Texas Department of Criminal Justice and that is selected by the  
14 board to participate in the program; and

15 (2) meets all other eligibility requirements  
16 prescribed by or adopted under Section 61.9783.

17 (c) If the board by rule expands the program under  
18 Subsection (b) to include graduates of one or more other general  
19 academic teaching institutions, the board shall include in the  
20 report under Subsection (a) information regarding the  
21 effectiveness of the expansion and the name of each additional  
22 general academic teaching institution selected to participate in  
23 the program.

24 Sec. 61.9790. TERMINATION OF PILOT PROGRAM. The board may  
25 not award repayment assistance under this subchapter to pay the  
26 costs of enrollment in an academic year after the 2015-2016  
27 academic year. On January 1, 2019, the trust fund is abolished and

1 any amount remaining in the trust fund shall be transferred to the  
2 general revenue fund.

3 SECTION 2. The Texas Higher Education Coordinating Board  
4 shall adopt the rules for repayment assistance under Subchapter FF,  
5 Chapter 61, Education Code, as added by this Act, not later than  
6 December 1, 2009.

7 SECTION 3. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect September 1, 2009.