

By: Kolkhurst, 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

1 AN ACT

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:

SUBCHAPTER FF. CORRECTIONAL OFFICER LOAN REPAYMENT

ASSISTANCE PILOT PROGRAM

Sec. 61.9781. DEFINITIONS. In this subchapter:

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;

(2) establish to the board that:

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:

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.