

By: Kolkhorst

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 designated by board rule under Section 61.9789(b);

3 (2) establish to the board that:

4 (A) the repayment assistance will be used to
5 repay any part of a student loan received by the correctional
6 officer to cover tuition and fees required for enrollment in
7 junior-level or senior-level course work in the baccalaureate
8 degree program at the institution; and

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

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

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

16 (iii) established financial need as
17 determined by board rule; and

18 (iv) maintained good academic standing at
19 the institution as determined by board rule;

20 (3) complete at least one full year of employment as a
21 full-time correctional officer in this state not later than the
22 second anniversary of the date of the person's graduation from the
23 institution; and

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

26 Sec. 61.9784. ELIGIBLE LOANS. (a) The board may provide
27 repayment assistance for the repayment of any student loan received

1 by an eligible correctional officer through any lender for the
2 costs of tuition and fees at Sam Houston State University or at
3 another general academic teaching institution designated by board
4 rule under Section 61.9789(b).

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

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

12 Sec. 61.9785. REPAYMENT. (a) The board shall deliver any
13 repayment under this subchapter in a lump sum payable to the lender
14 and the correctional officer, in accordance with any applicable
15 federal law.

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

18 (c) The board may grant prior conditional approval to a
19 correctional officer who completes each eligibility requirement
20 under Section 61.9783 other than the requirement under Section
21 61.9783(3) and may reserve money in the trust fund for disbursement
22 under this subchapter on the officer's completion of that
23 requirement.

24 Sec. 61.9786. RULES. (a) The board shall adopt rules
25 necessary to administer this subchapter. The board may consult
26 with the Texas Department of Criminal Justice to assist the board in
27 establishing priorities among eligible correctional officers for

1 repayment assistance.

2 (b) The board shall distribute to Sam Houston State
3 University, any general academic teaching institution designated
4 by board rule under Section 61.9789(b), each public junior college,
5 and appropriate state agencies and professional associations
6 copies of the rules adopted under this section and other pertinent
7 information relating to this subchapter.

8 Sec. 61.9787. AMOUNT OF REPAYMENT ASSISTANCE. (a) The loan
9 repayment amount for one year of full-time employment as a
10 correctional officer after graduation from Sam Houston State
11 University or from a general academic teaching institution
12 designated by board rule under Section 61.9789(b) may not exceed
13 the cost of the tuition and fees required for the officer to enroll
14 in 30 semester credit hours of junior-level or senior-level course
15 work at the institution, as applicable.

16 (b) The total amount of repayment assistance distributed by
17 the board under this subchapter may not exceed the total amount of
18 gifts and grants accepted by the board for repayment assistance,
19 legislative appropriations for repayment assistance, and other
20 funds available to the board for purposes of this subchapter.

21 Sec. 61.9788. TRUST FUND. (a) The board shall award
22 repayment assistance under this subchapter from the amount
23 available in the trust fund. The trust fund is established outside
24 the treasury but is held in trust by the comptroller. Money in the
25 trust fund may be spent without appropriation and only to fund the
26 pilot program. Interest and income from the assets of the trust
27 fund shall be credited to and deposited in the trust fund. In each

1 state fiscal year the board may spend from the trust fund to cover
2 the costs of administering this subchapter an amount not to exceed
3 2.5 percent of the total amount of money deposited into the trust
4 fund in that fiscal year.

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

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

9 Sec. 61.9789. EVALUATION OF PILOT PROGRAM. (a) The board
10 shall evaluate the effectiveness of the pilot program established
11 under this subchapter and report the results of the evaluation to
12 the legislature not later than December 31 of each even-numbered
13 year.

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

19 (1) received a baccalaureate degree from a general
20 academic teaching institution other than Sam Houston State
21 University designated by the board that is located near a
22 confinement facility operated by the Texas Department of Criminal
23 Justice; and

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

26 (c) If the board by rule expands the program under
27 Subsection (b), the board shall include in the report under

1 Subsection (a) information regarding the effectiveness of the
2 expansion and the name of each general academic teaching
3 institution included in the program.

4 Sec. 61.9790. TERMINATION OF PILOT PROGRAM. The board may
5 not award repayment assistance under this subchapter to pay the
6 costs of enrollment in an academic year after the 2015-2016
7 academic year. On January 1, 2019, the trust fund is abolished and
8 any amount remaining in the trust fund shall be transferred to the
9 general revenue fund.

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

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