

1-1 By: Zaffirini S.B. No. 1504  
1-2 (In the Senate - Filed March 5, 2019; March 14, 2019, read  
1-3 first time and referred to Committee on Higher Education;  
1-4 April 16, 2019, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 9, Nays 0; April 16, 2019,  
1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	Creighton	X		
1-10	West	X		
1-11	Bettencourt	X		
1-12	Buckingham	X		
1-13	Flores	X		
1-14	Menéndez	X		
1-15	Powell	X		
1-16	Taylor	X		
1-17	Watson	X		

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1504 By: Powell

1-19 A BILL TO BE ENTITLED  
1-20 AN ACT

1-21 relating to the abolition of the B-On-time student loan account and  
1-22 the allocation of funds remaining in that account.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Sections 56.0092(d), (e), and (f), Education  
1-25 Code, are amended to read as follows:

1-26 (d) On September 1, 2021 [~~2020~~], the Texas B-On-time student  
1-27 loan account is abolished, and any remaining money in the account,  
1-28 notwithstanding Subsection (b), may be appropriated only to  
1-29 eligible institutions in the manner provided by Subsection (e).

1-30 (e) An appropriation under Subsection (d) must be made in  
1-31 accordance with a performance-based methodology [formula], adopted  
1-32 by coordinating board rule, that [~~the coordinating board determines~~  
1-33 ~~fairly~~] allocates the appropriated amount to [~~those~~] eligible  
1-34 institutions based on the average number of bachelor's degrees  
1-35 awarded by each institution to at-risk students in the three most  
1-36 recent academic years for which that information is available [~~at~~  
1-37 ~~which the Texas B-On-time student loan program was underutilized.~~  
1-38 ~~For purposes of this subsection, the Texas B-On-time student loan~~  
1-39 ~~program is considered to have been underutilized by students of an~~  
1-40 ~~institution in any period if the institution's percentage of the~~  
1-41 ~~total amount of tuition set aside by all institutions under the~~  
1-42 ~~program during the period was greater than the institution's~~  
1-43 ~~percentage of all students who received a Texas B-On-time student~~  
1-44 ~~loan under the program for the same period. The coordinating board~~  
1-45 ~~shall base the coordinating board's determination on a period of~~  
1-46 ~~academic years occurring before the 2015-2016 academic year that~~  
1-47 ~~the coordinating board considers representative of eligible~~  
1-48 ~~institutions' student participation in the Texas B-On-time student~~  
1-49 ~~loan program].~~

1-50 (f) In this section:

1-51 (1) "At-risk student" means an undergraduate student  
1-52 of an eligible institution:

1-53 (A) who has previously received a grant under the  
1-54 federal Pell Grant program or met the Expected Family Contribution  
1-55 (EFC) criterion for a grant under that program; or

1-56 (B) whose total score on the SAT or the ACT,  
1-57 excluding the optional essay test, is less than the national mean of  
1-58 students' scores on the applicable test.

1-59 (2) "Eligible [,"eligible] institution" means a  
1-60 general academic teaching institution described by Section

2-1 56.451(2)(A) or a medical and dental unit described by Section  
2-2 56.451(2)(B), as those paragraphs existed immediately before  
2-3 September 1, 2015.

2-4 SECTION 2. This Act takes effect immediately if it receives  
2-5 a vote of two-thirds of all the members elected to each house, as  
2-6 provided by Section 39, Article III, Texas Constitution. If this  
2-7 Act does not receive the vote necessary for immediate effect, this  
2-8 Act takes effect September 1, 2019.

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