BILL ANALYSIS

DIGEST AND PURPOSE

Currently, the master plan for Texas higher education, "Closing the Gaps," calls for colleges and universities to make extra efforts in recruiting, retaining, and graduating new students, providing quality instruction and adding additional faculty and staff to meet current growth and the projected growth for the next five to ten years. C.S.S.B. 722 establishes a loan program for Texas residents from underrepresented groups to pursue doctoral degrees and enter the faculty and administration of Texas institutions of higher education.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 56.091, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 56, Education Code, by adding Subchapter F, as follows:

> SUBCHAPTER F. DOCTORAL INCENTIVE LOAN REPAYMENT PROGRAM

> Sec. 56.091. ESTABLISHMENT; ADMINISTRATION. (a) Requires the Texas Higher Education Coordinating Board (THECB) to establish and administer the doctoral incentive loan repayment program as provided by this subchapter and to adopt rules necessary to administer the program.

>> (b) Provides the purpose of the program.

>> (c) Provides that for purposes of this subchapter, an individual is from a group that is underrepresented among the faculty and administration of public and independent institutions of higher education in this state if certain criteria exists.

> Sec. 56.092. ELIGIBILITY. Requires an idividual, to be eligible for loan repayment assistance under the program, to meet certain criteria.

> Sec. 56.093. ELIGIBLE LOANS. Authorizes THECB to provide repayment assistance under the program for the repayment of any education loan received by an eligible individual through any lender.

> Sec. 56.094. LOAN REPAYMENT ASSISTANCE. (a) Authorizes THECB to provide assistance in the repayment of an eligible loan to an eligible individual in the amounts and under the terms THECB considers appropriate to further the purposes of the program and the best interests of this state.

>> (b) Authorizes an individual to receive loan repayment assistance under the program in a total amount not to exceed $100,000.

> Sec. 56.095. FUNDING; LIMITATION ON FUNDING. (a) Authorizes the program to be funded only from a source provided by this section. Prohibits the total amount of loan repayment assistance paid under the program from exceeding the amount of money

available for the program under this section.

(b) Requires each institution of higher education to set aside a portion of the tuition collected from each student enrolled in a doctoral degree program, other than a law or health professional degree program, equal to $2 for each semester credit hour for which the student is enrolled. Requires the institution to deliver the money set aside to THECB in the manner and at the time prescribed by THECB. Requires THECB to transfer the money to the comptroller to be maintained in the state treasury for the sole purpose of providing loan forgiveness under this subchapter and paying the costs of administering this subchapter. Authorizes the money to be used only for those purposes.

(c) Authorizes THECB to solicit and accept gifts and grants from any public or private source for the purposes of the program.

SECTION 2. Effective date: upon passage or September 1, 2003.

SECTION 3. (a) Requires THECB to award loan repayments under the doctoral incentive loan repayment program established under Subchapter F, Chapter 56, Education Code, as added by this Act, beginning with the 2004 fall semester.

(b) Requires THECB to adopt the initial rules for awarding loans under the doctoral incentive loan repayment program established under Subchapter F, Chapter 56, Education Code, as added by this Act, as soon as practicable after the effective date of this Act. Authorizes THECB to adopt those initial rules in the manner provided by law for emergency rules.