

## **BILL ANALYSIS**

Senate Research Center  
78S30012 KEL-D

S.B. 24  
By: Shapiro  
Education  
9/29/2003  
As Filed

### **DIGEST AND PURPOSE**

The 78th Legislature created the Texas B-On-Time student loan program to provide forgivable, interest-free loans to certain students in public and private institutions. The need for certain clarifications regarding the B-On-Time loan program emerged during its implementation. As proposed, S.B. 24 modifies the Education Code to clarify provisions regarding the tuition set-aside that funds the program and eligibility for the program. S.B. 24 also requires a legislative review of the eligibility of students at private and independent institutions for B-On-Time loans.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 56.465(a), Education Code, as added by Chapter 779, Acts of the 78th Legislature, Regular Session, 2003, to specify that the tuition on which the set-aside for the Texas B-On-time student loan program is based is that of a resident undergraduate student. Provides that the amount to be set aside by the governing board of each institution of higher education is five percent of the amount of the tuition in excess of \$46 per semester credit hour, rather than five percent of the amount of the tuition that is in excess of the amount that would have been charged to the student for the same semester or term in the 2002-2003 academic year. Provides that the amount of a student's tuition set-aside under this subsection is considered a part of the amount required to be set aside from that tuition under Section 56.011 (Resident Undergraduate Student Assistance).

SECTION 2. Amends Section 8.02, Chapter 1266, Acts of the 78th Legislature, Regular Session, 2003, by adding Subsection (f-1), to require the interim committee established to study the organization, operations, and funding of higher education (committee), in its review, to evaluate whether students enrolled in private and independent institutions of higher education should remain eligible to receive Texas B-On-time loans under Subchapter Q (Texas B-On-Time Loan Program), Chapter 56, Education Code. Requires the committee to include the results of its evaluation in the report required by Subsection (i) of this section.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: upon passage or on the 91st day after the last day of the legislative session.