

**SUBJECT:** Establishing requirements for B-On-time student loan account funds

**COMMITTEE:** Appropriations — favorable, without amendment

**VOTE:** 20 ayes — Zerwas, Longoria, C. Bell, Buckley, Capriglione, Cortez, S. Davis, Hefner, Howard, Jarvis Johnson, Miller, Minjarez, Muñoz, Rose, Sheffield, Smith, Stucky, J. Turner, VanDeaver, Wu

2 nays — Schaefer, Toth

5 absent — G. Bonnen, M. González, Sherman, Walle, Wilson

**SENATE VOTE:** On final passage, April 30 — 30-1 (Hancock)

**WITNESSES:** No public hearing

**BACKGROUND:** Education Code sec. 56.0092 establishes the Texas B-On-time student loan account as an account in the general revenue fund. The account will be abolished by September 1, 2020, and any remaining money in the account may be appropriated only to eligible institutions as specified in statute.

Interested parties have called for the state to ensure that an institution of higher education that receives an appropriation of money following the abolition of the B-On-time student loan account uses the money for a purpose consistent with the overall goal of the state's higher education strategic plan.

**DIGEST:** SB 1504 would postpone the date on which the Texas B-On-time student loan account was abolished to September 1, 2021. Institutions that received an appropriation of money following the account's abolition could use the money only to support efforts to increase the number of at-risk students who graduated from the institution or the rate at which such students graduated from the institution.

The bill would define "at-risk student" to mean an undergraduate student

of an eligible institution who had previously received a grant under the federal Pell Grant program or met the Expected Family Contribution criterion for a grant under that program. It also would refer to a student whose total score on the SAT or ACT was less than the national mean, excluding the essay test.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.