BILL ANALYSIS

Senate Research Center 79R179 JRJ-D

S.B. 579 By: Van de Putte Veteran Affairs & Military Installations 4/4/2005 As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, the Texas B-On-time loan program provides no-interest loans to certain students attending institutions of higher education in this state. This program excludes the children of Texas servicemen and servicewomen who are deployed overseas and who are forced to attend high schools run by the Department of Defense (DoD). Since these students are not graduating from high schools physically located in Texas, they are not eligible for the loan program, even though one or more parent is officially a Texas resident.

As proposed, S.B. 579 corrects this oversight and adds language that explicitly allows students who are dependents of deployed Texas servicemen and servicewomen and who have graduated from DoD high schools not earlier than the 2002-2003 school year to be eligible for the loan program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 2 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 56.455, Education Code, to include amongst requirements for initial eligibility for a Texas B-On-time loan, that a person be a resident of this state under Section 54.052 (Residents; Nonresidents; General Rules) or be entitled, as a child of a member of the armed forces of the United States, to pay tuition at the rate provided for residents of this state under Section 54.058 (Military Personnel and Dependents) and include additional requirements among academic requirements, one of which must be met.

SECTION 2. (a) Makes application of the change in law made by this Act relating to the eligibility of a person to receive a Texas B-On-time loan prospective to loans awarded for the 2005-2006 academic year.

(b) Requires the Texas Higher Education Coordinating Board (board) to adopt rules for the administration of Section 56.455, Education Code, as amended by this Act, as soon as practicable after this Act takes effect. Authorizes, for that purpose, the board to adopt the rules in the manner provided by law for emergency rules.

SECTION 3. Effective date: upon passage or September 1, 2005.