

AN ACT

relating to a requirement that certain participating institutions under the student loan program administered by the Texas Higher Education Coordinating Board provide loan debt information to certain students.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 52, Education Code, is amended by adding Section 52.335 to read as follows:

Sec. 52.335. REQUIRED LOAN DEBT DISCLOSURE. (a) This section applies to a participating higher educational institution that enrolls one or more students receiving state financial aid administered by the Texas Higher Education Coordinating Board.

(b) At least annually a participating higher educational institution to which this section applies that receives education loan information for a student enrolled at the institution shall provide to that student in an electronic communication the following information:

(1) an estimate of the total amount of state and federal education loans incurred by the student;

(2) an estimate of the total payoff amount, or a range for that amount, for the amount described by Subdivision (1), including principal and interest; and

(3) an estimate of the monthly repayment amount that the student may incur for the repayment of the amount described by Subdivision (1), including principal and interest.

(c) A participating higher educational institution is required to include in the disclosure only education loan debt information regarding the student that the institution:

(1) receives or otherwise obtains from the United States Department of Education's central database for student aid; and

(2) may reasonably collect from its own records.

(d) The disclosure required under this section must:

(1) identify the types of education loans included in the institution's estimates; and

(2) include:

(A) a statement that the disclosure is not a complete and official record of the student's education loan debt;

(B) an explanation regarding why the disclosure may not be complete or accurate, including an explanation that for a transfer student, the institution's estimates regarding state loans reflect only state loans incurred by the student for

attendance at the institution; and

(C) a statement that the institution's estimates are general in nature and are not intended as a guarantee or promise.

(e) A participating higher educational institution does not incur liability for any representation made under this section.

(f) The Texas Higher Education Coordinating Board shall adopt rules for the administration of this section.

SECTION 2. Section 52.335, Education Code, as added by this Act, applies beginning with the 2018-2019 academic year.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

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President of the Senate

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Speaker of the House

I hereby certify that S.B. No. 887 passed the Senate on March 20, 2017, by the following vote: Yeas 30, Nays 0.

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Secretary of the Senate

I hereby certify that S.B. No. 887 passed the House on May 19, 2017, by the following vote: Yeas 141, Nays 3, two present not voting.

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Chief Clerk of the House