

BILL ANALYSIS

Senate Research Center
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S.B. 1060
By: West
Business & Commerce
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, public employees are eligible to participate in the Public Service Loan Forgiveness or PSLF program. The PSLF program forgives the remaining balance on a Direct Loan after an individual has made 120 qualifying monthly payments under a qualifying repayment plan while working full time for a qualifying employer or public employer.

Section 620.001, Government Code, defines a "public employer" as a county, a municipality, or another political subdivision of this state, including a school district; or a board, a commission, an office, a department, or another agency in the executive, judicial, or legislative branch of state government, including an institution of higher education.

S.B. 1060 requires public employers to provide written notice to their new employees, who are eligible to participate in the PSLF program, of their eligibility no later than the fifth day after the date on which the employee begins employment with the public employer.

As proposed, S.B. 1060 amends current law relating to requiring a public employer to give notice to new employees of the ability of certain employees to participate in the Public Service Loan Forgiveness Program.

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 Subtitle A, Title 6, Government Code, by adding Chapter 620, as follows:

CHAPTER 620. NOTICE OF PUBLIC SERVICE LOAN FORGIVENESS PROGRAM

Sec. 620.001. DEFINITION. Defines "public employer."

Sec. 620.002. NOTICE OF PUBLIC SERVICE LOAN FORGIVENESS PROGRAM. Requires a public employer (employer), not later than the fifth day after the date on which an employee begins employment with the employer, to provide written notice to the employee of the ability of eligible employees of the employer to participate in the Public Service Loan Forgiveness Program administered by the United States Department of Education.

SECTION 2. (a) Makes application of this Act prospective, except as provided by Subsection (b).

(b) Requires an employer, as defined by Section 620.001, Government Code, as added by this Act, to provide written notice described by Section 620.002, Government Code, as amended by this Act, to an employee employed by the employer on the effective date of this Act, not later than September 11, 2017.

SECTION 3. Effective date: September 1, 2017.