

## **BILL ANALYSIS**

Senate Research Center

H.B. 518  
By: Kolkhorst et al. (Van de Putte)  
Finance  
5/23/2009  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Texas Department of Criminal Justice (TDCJ) often has difficulty recruiting and retaining correctional officers. This bill provides an additional tool for recruitment efforts, as well as improving employee morale and retention, by establishing a pilot program for student loan repayment assistance for correctional officers.

Texas currently has a shortage of speech-language pathologists and audiologists who choose to seek employment in the public school system. A vacancy rate of 399 positions multiplied by an average caseload of 55 students equates to an estimated 21,945 children in the state of Texas who are not receiving service.

The pilot program offers a loan repayment plan to qualified individuals attending Sam Houston State University who agree to serve as correctional officers for a certain amount of time. This bill permits the program to be expanded, if it is deemed successful by the Texas Higher Education Coordinating Board, to other academic teaching institutions located near TDCJ confinement facilities. The student loan repayment program for speech-language pathologists and audiologists will create an incentive for licensed speech-language pathologists and audiologists to remain employed in public schools or seek employment in the public school system.

These payments will be dispersed over a five-year period in equal amounts. The speech-language pathologist or audiologist will be required to remain a full-time employee in a public school to continue eligibility for payment each year, totaling six years of service. This incentive would decrease the attrition rate and increase the amount of professionals providing services to children in public schools.

H.B. 518 relates to programs to provide student loan repayment assistance for certain correctional officers and for certain speech-language pathologists and audiologists.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Sections 61.9783, 61.9786, and 61.9789, Education Code) and SECTION 2 (Sections 61.9802, 61.9803, and 61.9809, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 61, Education Code, by adding Subchapter FF, as follows:

#### **SUBCHAPTER FF. CORRECTIONAL OFFICER LOAN REPAYMENT ASSISTANCE PILOT PROGRAM**

Sec. 61.9781. DEFINITIONS. Defines "correctional officer" and "trust fund."

Sec. 61.9782. REPAYMENT AUTHORIZED. Requires the Texas Higher Education Coordinating Board (THECB) to establish a pilot program to provide, using money in the trust fund and in accordance with this subchapter and rules of THECB, assistance in the repayment of student loans for correctional officers who apply and qualify for the assistance.

Sec. 61.9783. ELIGIBILITY. Requires a correctional officer, to be eligible to receive repayment assistance, to:

- (1) have received a baccalaureate degree from Sam Houston State University (SHSU) or from another general academic teaching institution that is selected to participate in the program by THECB under Section 61.9789(b) if THECB expands the program to include an additional general academic teaching institution;
- (2) establish to THECB that the repayment assistance will be used to repay any part of a student loan received by the correctional officer to cover the officer's cost of attendance in connection with enrollment in junior-level or senior-level course work in the baccalaureate degree program at the institution; during the period of the correctional officer's enrollment at the institution as described by Paragraph (A) (relating to using the repayment assistance to repay a student loan), the officer was employed full-time as a correctional officer in this state, was classified as a resident of this state under Subchapter B (Tuition Rates), Chapter 54 (Tuition and Fees), established financial need as determined by THECB rule, and maintained good academic standing at the institution as determined by THECB rule, and the correctional officer has not committed an offense under Chapter 39 (Abuse of Office), Penal Code, under Section 38.11 (Prohibited Substances and Items in Adult or Juvenile Correctional or Detention Facility or on Property of Texas Department of Criminal Justice or Texas Youth Commission) or 38.114 (Contraband in Correctional Facility), Penal Code, under any other provision of the Penal Code in which the victim was a person in the custody of the Texas Department of Criminal Justice (TDCJ) at the time the offense occurred, or the elements of which are equivalent to be a criminal offense under the law of another state, federal law, or the law of a foreign government;
- (3) complete at least two full years of employment as a full-time correctional officer in this state not later than the second anniversary of the date of the person's graduation from the institution; and
- (4) comply with any other requirements adopted by THECB rule under this subsection.

Sec. 61.9784. ELIGIBLE LOANS. (a) Authorizes THECB to provide repayment assistance for the repayment of any student loan received by an eligible correctional officer through any lender for the cost of attendance for enrollment at SHSU or another general academic teaching institution that is selected by THECB to participate in the program under Section 61.9789(b).

- (b) Authorizes THECB to withhold repayment assistance for a student loan that is in default at the time of the correctional officer's application.
- (c) Requires THECB, subject to Sections 61.9785 and 61.9788, in each state fiscal biennium, to attempt to allocate all funds available in the trust fund for the purpose of providing repayment assistance under this subchapter.

Sec. 61.9785. REPAYMENT. (a) Requires THECB to deliver any repayment under this subchapter in a lump sum payable to both the lender or other holder of the loan and the correctional officer, or on the correctional officer's behalf directly to the lender or other holder of the loan.

- (b) Authorizes that a repayment under this subchapter be applied to any amount due in connection with the loan.
- (c) Authorizes THECB to grant prior conditional approval to a correctional officer who completes each eligibility requirement under Section 61.9783 other than the requirement under Section 61.9783(3) and to reserve money in the trust

fund for disbursement under this subchapter on the officer's completion of that requirement.

Sec. 61.9786. RULES. (a) Requires THECB to adopt rules necessary to administer this subchapter. Authorizes THECB to consult with TDCJ to assist THECB in establishing priorities among eligible correctional officers for repayment assistance.

(b) Requires THECB to distribute to SHSU, any other general academic teaching institution that is selected by THECB to participate in the program under 61.9789(b), each public junior college, and appropriate state agencies and professional associations copies of the rules adopted under this section and other pertinent information relating to this subchapter.

Sec. 61.9787. AMOUNT OF REPAYMENT ASSISTANCE. (a) Prohibits the loan repayment amount for one year of full-time employment as a correctional officer beginning two years after graduation from SHSU or from another general academic teaching institution that is selected by THECB to participate in the program under Section 61.9789(b) from exceeding the cost of attendance for the officer to enroll in 30 semester credit hours of junior-level or senior-level course work at the institution, as applicable.

(b) Prohibits the total amount of repayment assistance distributed by THECB under this subchapter from exceeding the total amount of gifts and grants accepted by THECB for repayment assistance, legislative appropriations for repayment assistance, and other funds available to THECB for purposes of this subchapter.

Sec. 61.9788. TRUST FUND. (a) Requires THECB to award repayment assistance under this subchapter from the amount available in the trust fund. Provides that the trust fund is established outside the treasury but is held in trust by the comptroller of public accounts (comptroller). Authorizes money in the trust fund to be spent without appropriation and only to fund the pilot program. Requires interest and income from the assets of the trust fund to be credited to and deposited in the trust fund. Authorizes THECB in each state fiscal year to spend from the trust fund to cover the costs of administering this subchapter an amount not to exceed 2.5 percent of the total amount of money deposited into the trust fund in that fiscal year.

(b) Authorizes THECB to solicit and accept gifts and grants from any public or private source for the purposes of this subchapter and requires THECB to deposit a gift or grant to the credit of the trust fund.

(c) Authorizes the legislature to appropriate money to the trust fund.

Sec. 61.9789. EVALUATION OF PILOT PROGRAM. (a) Requires THECB to evaluate the effectiveness of the pilot program established under this subchapter and report the results of the evaluation to the legislature not later than December 31 of each even-numbered year.

(b) Authorizes THECB by rule, if THECB determines that expansion of the program would enhance the effectiveness of the program or improve THECB's ability to evaluate the program, to expand the program to include as eligible to receive repayment assistance under Section 61.9783 a correctional officer who received a baccalaureate degree from a general academic teaching institution other than SHSU that is located near a confinement facility operated by TDCJ and that is selected by THECB to participate in the program, and meets all other eligibility requirements prescribed by or adopted under Section 61.9783.

(c) Requires THECB, if THECB by rule expands the program under Subsection (b) to include graduates of one or more other general academic teaching institutions, to include in the report under Subsection (a) information regarding

the effectiveness of the expansion and the name of each additional general academic teaching institution selected to participate in the program.

Sec. 61.9790. **TERMINATION OF PILOT PROGRAM.** Prohibits THECB from awarding repayment assistance under this subchapter to pay the costs of enrollment in an academic year after the 2015-2016 academic year. Provides that on January 1, 2019, the trust fund is abolished and any amount remaining in the trust fund is required to be transferred to the general revenue fund.

SECTION 2. Amends Chapter 61, Education Code, by adding Subchapter GG, as follows:

**SUBCHAPTER GG. REPAYMENT OF CERTAIN SPEECH-LANGUAGE PATHOLOGIST AND AUDIOLOGIST EDUCATION LOANS**

Sec. 61.9801. **DEFINITIONS.** Defines "audiologist," "communicative disorders program," "public school," and "speech-language pathologist."

Sec. 61.9802. **REPAYMENT ASSISTANCE AUTHORIZED.** Requires THECB to provide, in accordance with this subchapter and THECB rules, assistance in the repayment of student loans for speech-language pathologists and audiologists who apply and qualify for the assistance.

Sec. 61.9803. **ELIGIBILITY.** (a) Requires a speech-language pathologist or an audiologist, to be eligible to receive repayment assistance, to apply to THECB, and at the time the speech-language pathologist or audiologist applies for the assistance, to have been employed as a speech-language pathologist or audiologist, as applicable, for at least one year by, and be currently employed full-time in that capacity by, a public school, or have been employed as a faculty member of a communicative disorders program at an institution of higher education for at least one year, and be currently employed full-time in that capacity at such an institution.

(b) Authorizes THECB by rule to provide for repayment assistance on a pro rata basis for speech-language pathologists and audiologists employed part-time by a public school or institution of higher education.

Sec. 61.9804. **LIMITATION.** (a) Authorizes a speech-language pathologist or an audiologist, on qualifying for the assistance, to receive repayment assistance grants for each year of employment, not to exceed five years, by a public school or a communicative disorders program at an institution of higher education.

(b) Prohibits the amount of repayment assistance grants that a speech-language pathologist or an audiologist is authorized to receive for each year of employment by a public school or a communicative disorders program at an institution of higher education from exceeding 20 percent of the speech-language pathologist's or audiologist's total principal amount of student loans.

(c) Prohibits the total amount of repayment assistance grants received by a speech-language pathologist or an audiologist under this subchapter from exceeding \$30,000 for an eligible recipient who holds a master's degree but not a doctoral degree, or \$45,000 for an eligible recipient who holds a doctoral degree.

Sec. 61.9805. **ELIGIBLE LOANS.** (a) Authorizes THECB to provide repayment assistance for the repayment of any student loan for education at an institution of higher education, including loans for undergraduate education, received by a speech-language pathologist or an audiologist through any lender.

(b) Prohibits THECB from providing repayment assistance for a student loan that is in default at the time of the speech-language pathologist's or audiologist's application.

(c) Requires THECB, each state fiscal biennium, to attempt to provide repayment assistance in amounts sufficient to use all the money appropriated to THECB for that biennium for the purpose of providing repayment assistance under this subchapter.

Sec. 61.9806. REPAYMENT. (a) Requires THECB to deliver any repayment under this subchapter in a lump sum payable to the lender and the speech-language pathologist or audiologist, in accordance with any applicable federal law.

(b) Authorizes a repayment made under this subchapter to be applied only to the principal amount of the loan.

Sec. 61.9807. ADVISORY COMMITTEES. Authorizes THECB to appoint advisory committees to assist THECB in administering this subchapter.

Sec. 61.9808. ACCEPTANCE OF GIFTS. Authorizes THECB to accept gifts, grants, and donations for the purposes of this subchapter.

Sec. 61.9809. RULES. (a) Requires THECB to adopt rules necessary for the administration of this subchapter.

(b) Requires THECB to distribute a copy of the rules adopted under this section and pertinent information regarding this subchapter to each institution of higher education, any appropriate state agency, and any appropriate professional association.

SECTION 3. Requires THECB to adopt the rules for repayment assistance under Subchapter FF, Chapter 61 (Texas Higher Education Coordinating Board), Education Code, as added by this Act, not later than December 1, 2009.

SECTION 4. Effective date: upon passage or September 1, 2009.