

By: Smith

H.B. No. 4487

A BILL TO BE ENTITLED

AN ACT

relating to student loan repayment assistance for prosecutors and certain criminal lawyers practicing in rural counties.

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

SECTION 1. Subchapter Y, Chapter 61, Education Code, is amended to read as follows:

SUBCHAPTER Y. REPAYMENT OF CERTAIN LAW SCHOOL EDUCATION LOANS:

RURAL CRIMINAL LAWYERS [~~ASSISTANT DISTRICT OR COUNTY ATTORNEY~~]

Sec. 61.9601. DEFINITIONS [~~DEFINITION~~]. In this subchapter:

(1) "Rural [~~,"rural~~] county" means a county with a population of 100,000 [~~50,000~~] or less.

(2) "Appointed attorney" means an attorney who accepts appointments to represent adult or juvenile indigent criminal defendants.

(3) "Employed" means:

(A) full-time salaried work;

(B) for part-time employees, an annualized average of 15 hours per week of salaried work; or

(C) an annualized average of 15 hours per week of work as an appointed attorney.

Sec. 61.9602. REPAYMENT ASSISTANCE AUTHORIZED. (a) The board shall provide, using funds appropriated for that purpose and in accordance with this subchapter and board rules, assistance in

1 the repayment of [~~law school~~] education loans for attorneys who
2 apply and qualify for the assistance.

3 (b) The provision of financial assistance in the repayment
4 of education loans under this subchapter promotes a public purpose.

5 Sec. 61.9603. ELIGIBILITY. To be eligible to receive
6 repayment assistance, an attorney must:

7 (1) apply to the board;

8 (2) hold a law degree from an accredited institution
9 of higher education;

10 (3) at the time of the application, be licensed to
11 practice law in the State of Texas;

12 (4) have outstanding student loan debt; and

13 (5) be employed as a prosecutor, public defender, or
14 appointed attorney providing services in one or more rural counties
15 ~~[be currently employed as an attorney by a district or county~~
16 ~~attorney's office that serves a rural county; and~~

17 ~~[(3) enter into an agreement to remain employed by the~~
18 ~~district or county attorney's office as provided by Section~~
19 ~~61.9605].~~

20 Sec. 61.9604. ELIGIBLE LOANS. (a) The board may provide
21 repayment assistance for the repayment of any student loan for
22 education at an institution of higher education, including loans
23 for undergraduate education, received by the individual ~~[education~~
24 ~~loan received by the attorney]~~ through any lender ~~[for education at~~
25 ~~a school of law authorized by the board to award a degree that~~
26 ~~satisfies the law study requirements for licensure as an attorney~~
27 ~~in this state].~~

1 (b) The board may not provide repayment assistance for an
2 education loan that is in default at the time of the attorney's
3 application.

4 ~~[Sec. 61.9605. AGREEMENT. (a) To qualify for loan~~
5 ~~repayment assistance under this subchapter, a person must enter~~
6 ~~into a written agreement with the board as provided by this section.~~
7 ~~The agreement must specify the conditions the person must satisfy~~
8 ~~to receive repayment assistance.~~

9 ~~[(b) The agreement must require the person to be employed~~
10 ~~for a period of five years with a district or county attorney's~~
11 ~~office that serves a rural county. Only employment with that~~
12 ~~district or county attorney's office as an attorney after the date~~
13 ~~the person enters into the agreement may be used to satisfy the~~
14 ~~employment requirement under the agreement.~~

15 ~~[(c) The agreement must provide that the repayment~~
16 ~~assistance the person receives before the person has been employed~~
17 ~~for five years as required by the agreement constitutes a loan until~~
18 ~~the person completes the five years of employment and satisfies any~~
19 ~~other applicable conditions of the agreement. The agreement must~~
20 ~~require the person to sign a promissory note acknowledging the~~
21 ~~conditional nature of the repayment assistance received and~~
22 ~~promising to repay the amount of that assistance received plus~~
23 ~~applicable interest and reasonable collection costs if the person~~
24 ~~does not satisfy the applicable conditions. The board shall~~
25 ~~determine the terms of the promissory note. To the extent~~
26 ~~practicable, the terms must be the same as those applicable to state~~
27 ~~or federally guaranteed student loans made at the same time. All~~

1 ~~amounts collected in repayment of a loan under this subsection,~~
2 ~~including interest, but excluding collection costs paid by the~~
3 ~~board to another person to collect or assist in collecting the~~
4 ~~amount, shall be deposited to the credit of the trust fund~~
5 ~~established by Section 61.9608.]~~

6 Sec. 61.9606. REPAYMENT. (a) The amount of loan repayment
7 provided under this program shall be determined by the board and
8 shall not exceed the following amounts for each year for which the
9 individual establishes eligibility for the assistance:

- 10 (1) for the first year, \$30,000;
11 (2) for the second year, \$40,000;
12 (3) for the third year, \$50,000; and
13 (4) for the fourth year, \$60,000.

14 (b) The total amount of repayment assistance made to an
15 individual may not exceed \$180,000.

16 (c) An individual may receive repayment assistance grants
17 for not more than four years [~~Except as provided by Section~~
18 ~~61.9609(a), the board shall provide repayment assistance under this~~
19 ~~subchapter in the following amounts:~~

20 ~~[(1) 60 percent of each payment due on an attorney's~~
21 ~~eligible loans during the first 12-month period after the attorney~~
22 ~~enters into the agreement under Section 61.9605,~~

23 ~~[(2) 80 percent of each payment due on an attorney's~~
24 ~~eligible loans during the second 12-month period after the attorney~~
25 ~~enters into the agreement, and~~

26 ~~[(3) 100 percent of each payment due on an attorney's~~
27 ~~eligible loans during the third 12-month period after the attorney~~

1 ~~enters into the agreement~~].

2 (d) [~~(b)~~] The board shall deliver any repayment assistance
3 made under this subchapter in a lump sum payable:

4 (1) to both the individual and the lender or other
5 holder of the affected loan; or

6 (2) directly to the lender or other holder of the loan
7 on the individual's behalf [~~and the attorney and in accordance with~~
8 ~~any applicable federal law~~].

9 (e) [~~(c)~~] Loan repayment assistance received under this
10 subchapter may be applied to the principal amount of the loan and to
11 interest that accrues.

12 Sec. 61.9607. ADVISORY COMMITTEE. (a) The board shall
13 [~~may~~] appoint an advisory committee from outside the board's
14 membership to assist the board in performing the board's duties
15 under this subchapter.

16 (b) The advisory committee members must be comprised of
17 equal numbers of members recommended by:

18 (1) the Texas District and County Attorneys
19 Association;

20 (2) the Texas Indigent Defense Commission; and

21 (3) the Texas Judicial Council.

22 (c) The advisory committee shall make recommendations to
23 the board regarding rules that:

24 (1) establish a method for documenting and verifying
25 the hours worked or cases defended by applicants who are appointed
26 attorneys; and

27 (2) allocate repayment in a manner that incentivizes

1 service in the most rural counties. To do so, the advisory
2 committee shall consider:

3 (A) the population of the counties in which
4 applicants provide services;

5 (B) the degree of criminal lawyer scarcity in
6 those counties; and

7 (C) for appointed attorneys:

8 (i) the distances between the counties in
9 which an applicant provides service;

10 (ii) the volume of cases handled by the
11 applicant; and

12 (iii) the hours that the applicant devoted
13 to rural appointed cases during the previous calendar year.

14 Sec. 61.9608. FUNDING. (a) The loan repayment assistance
15 program established by this subchapter is funded from the rural
16 prosecution and defense [district and county attorney] student loan
17 assistance trust fund. The trust fund is established outside the
18 treasury and is administered by the comptroller. Money in the trust
19 fund may be spent without appropriation and only to fund the
20 program. Interest and income from the assets of the trust fund
21 shall be credited to and deposited in the trust fund.

22 (b) The board may solicit and accept gifts, grants, and
23 donations from any public or private source for the purposes of this
24 subchapter and shall deposit money accepted under this subsection
25 to the credit of the trust fund.

26 (c) The legislature may appropriate money to the trust fund.

27 Sec. 61.9609. RULES. (a) The board shall adopt rules

1 necessary for the administration of this subchapter [~~including a~~
2 ~~rule that sets the maximum amount of loan repayment assistance that~~
3 ~~an attorney may receive in one year~~].

4 (b) The board shall distribute a copy of the rules adopted
5 under this section and pertinent information in this subchapter to:

- 6 (1) each school of law authorized by the board to award
7 a degree described by Section 61.9604(a); [~~and~~]
8 (2) any appropriate district or county attorneys;
9 (3) the Texas Indigent Defense Commission; and
10 (4) any appropriate public defender offices.

11 (c) The board shall administer the program under this
12 subchapter in a manner that maximizes any matching funds available
13 through other sources.

14 SECTION 2. This Act takes effect September 1, 2023.