BILL ANALYSIS

Senate Research Center 80R15257 KEL-D H.B. 2103 By: Kolkhorst, Gonzalez Toureilles (Ogden) S/C on Higher Education 5/16/2007 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Department of Criminal Justice (TDCJ) often has great difficulty in recruiting and retaining correctional officers (COs). H.B. 2103 will provide an additional tool for recruitment efforts, as well as improvement in employee morale and retention, by establishing a pilot program for loan repayment assistance for COs.

The pilot program will offer a loan repayment plan to qualified individuals attending Sam Houston State University who agree to serve as COs for a certain amount of time.

H.B. 2103 creates a pilot program to provide student loan repayment assistance to certain correctional officers.

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 Chapter 61, Education Code, by adding Subchapter EE, as follows:

SUBCHAPTER EE. CORRECTIONAL OFFICER LOAN REPAYMENT ASSISTANCE PILOT PROGRAM

Sec. 61.9751. DEFINITIONS. Defines "correctional officer" and "trust fund."

Sec. 61.9752. 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. 61.9753. ELIGIBILITY. Sets forth certain conditions a correctional officer is required to meet to be eligible to receive repayment assistance.

Sec. 61.9754. 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 costs of tuition and fees at Sam Houston State University.

(b) Authorizes THECB to withhold repayment assistance for a student ban that is in default at the time of the correctional officer's application.

(c) Requires THECB 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 subject to Sections 61.9755 and 61.9758.

Sec. 61.9755. REPAYMENT. (a) Requires THECB to deliver any repayment under this subchapter in a lump sum payable to the lender and the correctional officer, in accordance with any applicable federal law.

(b) Authorizes a repayment under this subchapter to 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 61.9753 other than the requirement under Section 61.9753(3) and reserve money in the trust fund for disbursement under this subchapter on the officer's completion of that requirement.

Sec. 61.9756. RULES. (a) Requires THECB to adopt rules necessary to administer this subchapter. Authorizes THECB to consult with the Texas Department of Criminal Justice to assist THECB in establishing priorities among eligible correctional officers for repayment assistance.

(b) Requires THECB to distribute to Sam Houston State University, 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. 61.9757. AMOUNT OF REPAYMENT ASSISTANCE. (a) Prohibits the loan repayment amount for one year of full-time employment as a correctional officer after graduation from Sam Houston State University from exceeding the cost of the tuition and fees required for the officer to enroll in 30 semester credit hours of junior-level or senior-level coursework at the university, 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. 61.9758. 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. 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. 61.9759. EVALUATION OF PILOT PROGRAM. 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.

Sec. 61.9760. 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 2013-2014 academic year. Provides that on January 1, 2017, the trust fund is abolished and requires any amount remaining in the trust fund to be transferred to the general revenue fund.

SECTION 2. Requires THECB to adopt the rules for repayment assistance under Subchapter EE, Chapter 61, Education Code, as added by this Act, not later than December 1, 2007.

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SECTION 3. Effective date: upon passage or September 1, 2007.