

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 14, 2009

TO: Honorable Judith Zaffirini, Chair, Senate Committee on Higher Education

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB1141 by Van de Putte (relating to student loan repayment assistance for speech-language pathologists or audiologists employed by a public school or as faculty members of certain programs at institutions of higher education.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1141, Committee Report 1st House, Substituted: a negative impact of (\$918,000) through the biennium ending August 31, 2011.
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General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	(\$306,000)
2011	(\$612,000)
2012	(\$918,000)
2013	(\$1,224,000)
2014	(\$1,530,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1
2010	(\$306,000)
2011	(\$612,000)
2012	(\$918,000)
2013	(\$1,224,000)
2014	(\$1,530,000)

Fiscal Analysis

The bill would create a student loan repayment assistance program for speech-language pathologists or audiologists employed by a public school. The program would be administered by the Higher Education Coordinating Board. Under provisions of the bill, to be eligible for repayment assistance, the speech-language pathologist or audiologist would be required to: (1) apply to the Higher Education Coordinating Board; and (2) have been employed at full time capacity for at least one year by a public school; or (3) have been employed as a full-time faculty member of a communicative disorders program at an institution of higher education or private or independent institution of higher education for at least one year. The Board may also provide repayment assistance on a pro rata basis to speech-language pathologists or audiologists who are employed part-time by a public school or institution of higher education or private or independent institution of higher education.

The repayment assistance grants for those who qualify may not exceed five years. The grant amount may not exceed: (1) more than 20 percent of the unpaid principle amount of the student loans; (2)

\$30,000 for an eligible recipient who has a master's degree, but not a doctoral degree; or (3) \$45,000 for an eligible recipient who has a doctoral degree. The Board may provide repayment assistance for any student loan received by a speech-language pathologist or audiologist except for those loans that are in default. Funding for the repayments will come from money that is appropriated to the Board each biennium. The Board may also accept funds through gifts, grants and donations to use for the student loan repayment assistance grants

Methodology

For purposes of this fiscal note it is assumed that 45 speech-language pathologists and audiologists and two faculty members employed in a communicative disorder program at institutions of higher education including private and independent institutions will receive loan repayment assistance in fiscal year 2010. It is also assumed that the annual loan repayment is \$6,000 for speech-language pathologists and \$18,000 per year for faculty of communicative disorders programs resulting in a total cost of \$306,000 in fiscal year 2010. The number of pathologists and audiologist and faculty members receiving loan repayment assistance would increase by the same amount (45 and 2) in the subsequent years increasing to a total of 225 in fiscal year 2014. Any administrative costs associated with the program would be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 781 Higher Education Coordinating Board, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 769 University of North Texas System Administration, 783 University of Houston System Administration

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