

BILL ANALYSIS

S.B. 1720
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Public Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

According to interested parties, Texas is experiencing a critical shortage of certified mathematics and science teachers in the public school system that threatens to affect the state economy, given the high demand for qualified workers at technology-based companies. The parties cite studies showing that the shortages have increased dramatically in recent years and are projected to continue increasing in the near future, with negative consequences for public school students as schools begin implementing the four-by-four graduation requirements for core courses and as a growing number of school districts are forced to cope with the shortage of mathematics and science teachers by relying on out-of-field teachers to teach mathematics and science classes.

S.B. 1720 seeks to address this teaching shortage by establishing a math and science scholars loan repayment program for teachers who agree to teach mathematics or science in certain school districts.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 of this bill.

ANALYSIS

S.B. 1720 amends the Education Code to require the Texas Higher Education Coordinating Board to provide, in accordance with the bill's provisions and coordinating board rules, assistance in the repayment of eligible student loans for eligible persons who agree to teach mathematics or science for a specified period in school districts that receive certain federal funding. The bill sets out eligibility requirements for a person's receipt of such loan repayment assistance under the math and science scholars loan repayment program.

S.B. 1720 requires an initial application for the loan repayment assistance to include a transcript of the applicant's postsecondary coursework and requires a person, as a condition of receiving such assistance, to enter into an agreement with the coordinating board that includes the following provisions:

- the person will accept an offer of full-time employment to teach mathematics or science, as applicable, based on the person's certification, in a public school located in a school district that receives certain federal funding;
- the person will complete four consecutive years of employment in such a school as a full-time classroom teacher whose primary duty is to teach mathematics or science, as applicable, based on the person's certification, for at least an average of four hours each school day;
- beginning with the school year immediately following the last of those four consecutive school years, the person will complete four additional consecutive school years teaching in any public school in Texas; and

- the person acknowledges the conditional nature of the loan repayment assistance.

S.B. 1720 requires the coordinating board to determine the annual amount of the loan assistance payments in any year to an eligible person, taking into consideration the amount of available funding and other relevant considerations. The bill requires the coordinating board to reduce the amount of a single assistance payment or to refrain from making a loan assistance payment to an eligible person as necessary to avoid making total payments under the program to the person in an amount greater than the total amount of principal and interest due on the person's eligible loans. The bill requires the coordinating board to excuse an otherwise eligible person from the requirement that the employment qualifying the person for loan repayment assistance be performed in consecutive years if the break in employment is a result of certain circumstances specified by the bill or satisfaction of the provisions of any other exception adopted by the coordinating board for purposes of the program.

S.B. 1720 authorizes the coordinating board to provide repayment assistance for the repayment of any student loan that is for education at a public or private institution of higher education and is received by an eligible person through an eligible lender. If the loan is not a state or federal guaranteed student loan, the bill requires the note or other writing governing the terms of the loan to require the loan proceeds to be used for expenses incurred by a person in attending a postsecondary educational institution. The bill prohibits the coordinating board from providing loan repayment assistance for a student loan that is in default at the time of the person's application for repayment assistance. The bill requires the coordinating board to pay any loan repayment assistance under the program in a lump sum delivered on the eligible person's behalf directly to the holder of the loan. The bill authorizes the loan repayment assistance to be applied to any amount due on the loan and requires the coordinating board, each fiscal biennium, to attempt to allocate all money available to the coordinating board for the purpose of providing the loan repayment assistance.

S.B. 1720 establishes the mathematics and science teacher investment fund as a dedicated account in the general revenue fund consisting of gifts, grants, and other donations received for the fund and interest and other earnings from the investment of the fund. The bill restricts use of the fund solely to providing repayment assistance for the repayment of loans eligible under the program, including related administrative costs. The bill exempts the fund from the application of Government Code provisions relating to the use of dedicated revenue and the disposition of interest on investments. The bill authorizes the coordinating board to accept grants, gifts, or donations from any public or private entity for the purposes of the program and requires all money received with regard to the program to be deposited in the fund. The bill prohibits the legislature from appropriating general revenue to the fund.

S.B. 1720 limits the total amount of loan repayment assistance paid by the coordinating board under the math and science scholars loan repayment program to the total amount of money available in the mathematics and science teacher investment fund and caps at 4,000 the number of eligible persons who may be provided loan repayment assistance under the program in any school year. The bill adds a temporary provision, set to expire January 1, 2020, to cap the number of eligible persons to be provided loan repayment assistance under the program in the specified school year as follows:

- in the 2016-2017 school year, not more than 1,000;
- in the 2017-2018 school year, not more than 2,000; and
- in the 2018-2019 school year, not more than 3,000.

The bill requires the coordinating board, if in any year the amount of money available for loan repayment assistance under the program is insufficient to provide loan repayment assistance to each eligible applicant or if there are more eligible applicants than the number authorized, to establish criteria to determine which eligible applicants will be provided repayment assistance as the coordinating board determines appropriate to further the purposes of the program. The bill

authorizes only available money in the mathematics and science teacher investment fund to be used for loan repayment assistance.

S.B. 1720 authorizes an eligible person to continue receiving loan repayment assistance after the first four years required for the initial eligibility if the person remains employed in a Texas public school, with the amount of the assistance based on whether that employment is with a public school receiving federal funds, and prohibits a person from receiving more than 75 percent of the maximum annual amount of assistance determined by the coordinating board if the employment is with a public school that does not receive federal funds. The bill requires the coordinating board to adopt rules necessary for the administration of the math and science scholars loan repayment program, including a rule providing for application procedures and a method of awarding assistance that gives first priority to applicants who are renewing their applications for loan repayment assistance and that awards any remaining available assistance according to a cumulative ranking system developed by the coordinating board based on the number of mathematics and science courses completed by the applicant and the grade received by the applicant for each of those courses. The bill requires the coordinating board by rule to adopt a common application form for use by new applicants and renewal applicants and requires the form to include a section in which the school district for which the applicant has taught for at least one year verifies the applicant's year of employment.

S.B. 1720 requires the coordinating board to begin providing loan repayment assistance under the program for eligible persons teaching in the 2016-2017 school year.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.