

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 8, 2013

TO: Honorable Kel Seliger, Chair, Senate Committee on Higher Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB620 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 graduate programs at public institutions of higher education.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB620, As Introduced: a negative impact of (\$6,966,000) through the biennium ending August 31, 2015.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	(\$3,483,000)
2015	(\$3,483,000)
2016	(\$3,483,000)
2017	(\$3,483,000)
2018	(\$3,483,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2014	(\$3,483,000)
2015	(\$3,483,000)
2016	(\$3,483,000)
2017	(\$3,483,000)
2018	(\$3,483,000)

Fiscal Analysis

The bill creates a new student loan repayment assistance program for speech-language pathologists or audiologists employed by a public school or as faculty members of certain

graduate programs at public institutions of higher education. The program would be administered by the Higher Education Coordinating Board. The bill includes eligibility criteria, including service requirements, regarding the new program. Under provisions of the bill, an eligible speech-language pathologist or an audiologist may receive repayment assistance grants for each year of employment, not to exceed five years by a public school or a communicative disorders program an an institution of higher education or private or independent institution of higher education. The total amount of loan repayment assistance per year cannot exceed \$6,000 for an eligible recipient, who holds a master's degree but not a doctoral degree or \$9,000 for an eligible recipient, who holds a doctoral degree. The program is funded only from appropriations made specifically to fund the program and from gifts and grants.

Methodology

For purposes of this fiscal note is assumed that only speech pathologists or audiologist currently employed by school districts would participate in the program. Based on information provided by the Texas Education Agency, there are approximately 3,870 speech therapists or speech language pathologists employed by school districts in 2012-13. Although it is unknown how long these pathologists or audiologists have been employed by the school district and how much loan debt has been accumulated, it is estimated that 15% of these pathologists or audiologists have at least \$30,000 in student loan debt. Based on this assumption, and the maximum loan repayment amount of \$6,000 for five years, there would be a cost of \$3.5 million beginning in fiscal year 2014 and continuing to fiscal year 2018.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration, 537 State Health Services, Department of, 701 Central Education Agency, 758 Texas State University System

LBB Staff: UP, GO, KK, SK