

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 18, 2019**

**TO:** Honorable Dan Huberty, Chair, House Committee on Public Education

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB1679** by Price (Relating to student loan repayment assistance for school counselors employed by a school district.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1679, As Introduced: a negative impact of (\$14,347,297) through the biennium ending August 31, 2021.

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2020	(\$4,187,792)
2021	(\$10,159,505)
2022	(\$18,239,505)
2023	(\$28,339,505)
2024	(\$40,459,505)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
2020	(\$4,187,792)
2021	(\$10,159,505)
2022	(\$18,239,505)
2023	(\$28,339,505)
2024	(\$40,459,505)

<b>Fiscal Year</b>	<b>Change in Number of State Employees from FY 2019</b>
2020	1.0
2021	1.0
2022	1.0
2023	1.0
2024	1.0

**Fiscal Analysis**

Under provisions of the bill, the Higher Education Coordinating Board (THECB) would create a new loan repayment assistance program for certain school counselors. Repayment assistance could not be received for more than five years and the bill includes provisions regarding eligibility and criteria for the amount of loan repayment assistance. This criteria includes the maximum amount of repayment assistance which is 10 percent in the first year and increases in five percent increments to 30 percent in the fifth year. Under provisions of the bill, the total amount of repayment assistance received by a school counselor could not exceed: \$80,000 for assistance received by a school counselor who holds a doctorate degree and \$40,000 for assistance received by a school counselor who holds a master's degree related to counseling.

**Methodology**

Based on the criteria established in the bill, the Higher Education Coordinating Board estimates that 5 school counselors, who hold doctorate degrees, would receive \$8,000 in loan repayment assistance, and 1,000 school counselors, who hold master's degrees, would receive \$4,000 in loan repayment assistance beginning in fiscal year 2020. Based on these assumptions, the General Revenue cost for fiscal year 2020 is \$4,040,000. The general revenue costs would increase in fiscal year 2021 through 2024 as the maximum amount of loan repayment assistance increases to 30 percent and new cohorts of school counselors are added to the program. The Higher Education Coordinating Board has indicated that they would need to hire an additional loan representative to administer the program at an annual cost for salary and benefits at \$47,068 per year. Technology and other costs associated with the program are estimated at \$100,724 in fiscal year 2020 and \$12,437 in fiscal year 2021.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

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

**LBB Staff:** WP, HL, DEH, GO