

SENATE AMENDMENTS

2nd Printing

By: Walle, Schaefer, Zerwas, Oliverson,
et al.

H.B. No. 2261

A BILL TO BE ENTITLED

AN ACT

relating to the physician education loan repayment program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 61.538(a) and (c), Education Code, are amended to read as follows:

(a) A physician may receive repayment assistance under this subchapter in the amount determined by board rule, not to exceed the following amounts for each year for which the physician establishes eligibility for the assistance:

(1) for the first year, \$30,000 [~~\$25,000~~];

(2) for the second year, \$40,000 [~~\$35,000~~];

(3) for the third year, \$50,000 [~~\$45,000~~]; and

(4) for the fourth year, \$60,000 [~~\$55,000~~].

(c) The total amount of repayment assistance made under this subchapter to an individual physician may not exceed \$180,000 [~~\$160,000~~].

SECTION 2. The change in law made by this Act to Section 61.538, Education Code, applies only to a person who first establishes eligibility for loan repayment assistance under Subchapter J, Chapter 61, Education Code, as amended by this Act, on the basis of an application submitted on or after September 1, 2019. A person who first establishes eligibility on the basis of an application submitted before September 1, 2019, is governed by the law in effect on the date the application was submitted, and the

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1 former law is continued in effect for that purpose.

2 SECTION 3. This Act takes effect September 1, 2019.

ADOPTED

MAY 20 2019

FLOOR AMENDMENT NO. 1

BY:

J. J. Hing-

Leta Spaul
Secretary of the Senate

Amend H.B. No. 2261 (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. The Texas Higher Education Coordinating Board is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the coordinating board may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 20, 2019

TO: Honorable Dennis Bonnen, Speaker of the House, House of Representatives

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

IN RE: HB2261 by Walle (Relating to the physician education loan repayment program.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2261, As Passed 2nd House: an impact of \$0 through the biennium ending August 31, 2021.

The Texas Higher Education Coordinating Board is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Higher Education Coordinating Board may, but is not required to implement a provision of this Act using other appropriations available.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>Physician Ed. Loan Repayment</i> 5144
2020	(\$2,670,078)
2021	(\$2,272,215)
2022	(\$4,595,580)
2023	(\$5,325,000)
2024	(\$5,325,000)

Fiscal Analysis

The bill would amend the Education Code to increase loan repayment assistance through the Physician Education Loan Repayment Program (PELRP) by \$5,000 per year. The program is administered by the Higher Education Coordinating Board and recruits and retains physicians in health professional shortage areas.

Methodology

Funds appropriated to the PELRP are from General Revenue Account 5144. The program is supported by a tax on smokeless tobacco that also generates revenue for the General Revenue Fund.

The total amount of loan repayment assistance currently available through the program is \$160,000 for four years. The bill would increase the total loan repayment assistance to \$180,000. The Higher Education Coordinating Board's estimate assumes that 100 new program participants under the bill would have at least \$180,000 in student loan debt. In practice, participants with less than \$180,000 in student loan debt would have their award amounts scaled to repay the debt over a period of four years. The costs to GR Account 5144 reflect the amounts over the current level of appropriation that would be needed to allow for the increased award amounts.

The Comptroller of Public Accounts indicates that sometime after 2024 the unencumbered beginning balance in GR Account 5144 would be expected to be insufficient to fund appropriations and there would be a shift of tobacco tax revenue from General Revenue to GR Account 5144.

The Texas Higher Education Coordinating Board is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Higher Education Coordinating Board may, but is not required to implement a provision of this Act using other appropriations available.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 781 Higher Education Coordinating Board

LBB Staff: WP, GO, JGAn, AF, JQ, BH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 16, 2019

TO: Honorable Brandon Creighton, Chair, Senate Committee on Higher Education

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

IN RE: HB2261 by Walle (Relating to the physician education loan repayment program.), As Engrossed

Estimated Two-year Net Impact to General Revenue Related Funds for HB2261, As Engrossed: an impact of \$0 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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

All Funds, Five-Year Impact:

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Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 781 Higher Education Coordinating Board

LBB Staff: WP, JGAn, AF, JQ, BH, GO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 19, 2019

TO: Honorable Chris Turner, Chair, House Committee on Higher Education

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

IN RE: HB2261 by Walle (Relating to the physician education loan repayment program.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2261, As Introduced: an impact of \$0 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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
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Fiscal Analysis

The bill would amend the Education Code to increase loan repayment assistance through the Physician Education Loan Repayment Program (PELRP) by \$5,000 per year. The program is administered by the Higher Education Coordinating Board and recruits and retains physicians in

health professional shortage areas.

Methodology

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