

- SUBJECT:** Student loan repayment pilot program for certain correctional officers
- COMMITTEE:** Corrections — committee substitute recommended
- VOTE:** 8 ayes — McReynolds, Madden, Hodge, Kolkhorst, Marquez, S. Miller, Ortiz, Sheffield
- 0 nays
- 3 absent — Dutton, England, Martinez
- WITNESSES:** For — Brian Olsen, American Federation of State, County and Municipal Employees Union (AFSCME); (*Registered, but did not testify:* Yannis Banks, Texas NAACP; Dee Simpson, AFSCME, AFL-CIO)
- Against — None
- On — Lesa Moller, Texas Higher Education Coordinating Board
- DIGEST:** CSHB 518 would establish a pilot student loan repayment program, administered by the Texas Higher Education Coordinating Board (THECB), to provide assistance in the repayment of student loans for certain correctional officers who graduated with a baccalaureate degree from Sam Houston State University.
- The repayment assistance would be used to repay any part of a student loan for the cost of attendance for junior-level or senior-level courses taken in the baccalaureate degree program. To be eligible, correctional officers enrolled at the university would have to meet the following requirements:
- employed full-time as a correctional officer;
 - a Texas resident;
 - in need of financial aid;
 - in good academic standing; and
 - has not committed offenses prohibited under certain sections of the Penal Code, including abuse of public office or violations of employment, introducing contraband into correctional facilities or any other offense in which the victim was a person in custody of the Texas Department of Criminal Justice.

Continued employment while enrolled and for two years following graduation would be required before payments could begin.

The loan repayment could not exceed the cost of attendance required to enroll in 30 semester credit hours of junior-level or senior-level course work per year. Payments would be made in one lump sum to both the lender or other holder of a loan and the officer, or on the officer's behalf directly to the lender or other holder of the loan.

The loans would have to be paid from a trust fund established outside the treasury but held in trust by the comptroller. Gifts, grants, and state appropriations could be used to fund the program. Money in the trust fund could be spent without appropriation and only to fund the pilot program. Interest and income from the assets of the fund would have to be deposited to the trust fund. The THECB would be authorized to spend up to 2.5 percent of the money to cover the costs of administering the program.

The THECB would be required to evaluate the pilot program and report the results to the Legislature no later than December 31 of each even-numbered year. If THECB determined that expansion of the program would enhance the effectiveness of the program or improve the THECB's ability to evaluate the program, it could, by rule, expand the program to include correctional officers who graduated from other institutions that were located by a confinement Texas Department of Criminal Justice facility.

The repayment program would expire after the 2015-16 academic year. On January 1, 2019, the trust fund would be abolished. The THECB would adopt rules to administer the program by no later than December 1, 2009.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2009.

**SUPPORTERS
SAY:**

CSHB 518 would serve as an incentive to college students and graduates to continue working as correctional officers after graduation by providing loan repayments for people who serve as correctional officers while attending Sam Houston State University in Huntsville. The bill is modeled after the popular federal G.I. Bill, and would be a strong recruitment and retention tool that could help to reduce the shortage of correctional officers in Texas.

The Texas Department of Criminal Justice is authorized to hire over 26,000 correctional officers, but has about 2,200 jobs unfilled. By offering student loan reimbursement in exchange for a commitment to work in the state prison system for at least two years, the bill would produce personal benefits to the individuals enrolled, and have a positive impact on corrections institutions. It could reduce turnover and, in the long run, save the state money by reducing the costs of re-training. It also could make Texas prisons safer by retaining experienced, educated staff.

The bill would be in line with similar repayment programs administered by the THECB, including the border county doctoral faculty education loan repayment program, the dental education loan repayment program, the physician education loan repayment program, and the doctoral incentive loan repayment program. These programs were established to provide educational assistance as an incentive to attract and retain certain professionals to serve in areas of the state that have shortages, as well as to attract members of under represented groups.

The bill would solve two problems. There is a need for professional, career-minded correctional officers within the Texas Department of Criminal Justice. There is also a need among many Sam Houston students for financial aid.

Reasons for denial of eligibility as prescribed in the bill would not be overly stringent. It is important that correctional officers maintain a high code of conduct when operating in their official capacity.

**OPPONENTS
SAY:**

The bill's exceptions for denial of eligibility would be too broad. For example, the provision prohibiting the misuse of government property, which is a low-level misdemeanor, could deny an otherwise competent, hard-working individual who simply made a small mistake from utilizing the benefits of the program.

**OTHER
OPPONENTS
SAY:**

A loan repayment program is a good tool to use to retain and recruit professionals but it should not be limited to correctional officers. Other vital employees, like child protective service professionals, would also benefit from such a loan repayment program.

The deadline for adopting rules should be no earlier than December 31, 2009. The THECB could be faced with a significant task of developing

proposed rules by December 1, since many newly enacted bills requiring new rules have that same deadline.

NOTES:

The substitute differs from the bill as filed by authorizing the loan assistance to be used to repay any part of a student loan to cover the cost of attendance, rather than to cover tuition and fees. The substitute also would add a provision making an individual ineligible for the assistance program if they had committed certain offenses. The substitute changed the length of required employment from one to two years. The substitute would add a provision stipulating that the loan repayment amount would be for one year of full-time employment, and begins two years after graduation.