

BILL ANALYSIS

Senate Research Center
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S.B. 2277
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Administration
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Texas Higher Education Coordinating Board (THECB) oversees several different student loan repayment assistance programs. However, THECB does not provide repayment assistance to attorneys who choose to work for the Texas Legislative Council (TLC). A law student may incur a large amount of education loan debt, and as a result may feel compelled not to consider working for TLC but to accept higher-paying private sector employment to pay off that debt. In addition, THECB currently oversees a loan repayment program for attorneys who work for the Office of the Attorney General. This is a further competitive disadvantage for TLC in its efforts to attract highly qualified attorneys to work for the Texas Legislature. Finally, TLC is interested in acquiring any tool that may help it maintain its low attorney turnover rate.

As proposed, S.B. 2277 authorizes certain state agencies to provide student loan repayment assistance to attorneys.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 56, Education Code, by adding Subchapter G, as follows:

SUBCHAPTER G. REPAYMENT OF EDUCATION LOANS BY AGENCIES THAT ASSIST THE LEGISLATURE

Sec. 56.101. **REPAYMENT ASSISTANCE AUTHORIZED.** (a) Authorizes a state agency that by statute provides services to the legislature that include assisting in the drafting of proposed legislation (agency) to provide, in accordance with this subchapter, assistance in the repayment of education loans for attorneys employed by the agency who apply and qualify for the assistance.

(b) Provides that the provision of financial assistance in the repayment of education loans under this subchapter promotes a public purpose.

Sec. 56.102. **ELIGIBILITY.** Requires an attorney, to be eligible to receive repayment assistance under this subchapter, to apply to the agency, have been employed by the agency for a period that includes at least one entire regular session of the legislature, and be employed by the agency when the attorney applies for the assistance.

Sec. 56.103. **AMOUNT OF REPAYMENT ASSISTANCE.** Requires the agency to determine the amount of repayment assistance an attorney is authorized to receive under this subchapter as the agency considers appropriate to recruit and retain qualified attorneys.

Sec. 56.104. **ELIGIBLE LOANS.** (a) Authorizes the agency to provide repayment assistance for the repayment of any education loan received by the attorney through any lender, other than a private individual, for education at a school of law that satisfies the law study requirements for licensure as an attorney in this state or undergraduate

education at an institution of higher education or an accredited private or independent institution of higher education.

(b) Prohibits the agency from providing repayment assistance for an education loan that is in default at the time of the attorney's application.

Sec. 56.105. REPAYMENT. (a) Requires the agency to make repayment assistance under this subchapter payable to both the lender and the attorney and in accordance with any applicable federal law.

(b) Authorizes repayment assistance received under this subchapter to be applied to the principal amount of the loan and to interest that accrues.

Sec. 56.106. ASSISTANCE AVAILABLE TO AGENCY. Authorizes the agency to request the assistance of the Texas Higher Education Coordinating Board, the State Bar of Texas, or the office of the attorney general in administering this subchapter.

Sec. 56.107. POLICIES. (a) Authorizes the agency to develop policies for the administration of this subchapter that are consistent with the rules and statutes governing the agency.

(b) Authorizes the agency to distribute a copy of the policies adopted under this section and pertinent information regarding the subchapter to schools of law, and appropriate state agency, and any appropriate professional association.

SECTION 2. Effective date: September 1, 2009.