

BILL ANALYSIS

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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Like many states across the nation, Texas is experiencing a critical shortage of certified mathematics and science teachers in the public school system. This shortage affects the state economy as many technology-based companies are searching nationally and even internationally for capable workers. Studies show that the shortages have increased dramatically in the past five years and are projected to continue to increase in the next five years. As Texas schools implement the four-by-four graduation requirements for core courses, this shortage will have dire consequences for students as more school districts are forced to rely on out-of-field teachers to lead mathematics and science classes.

C.S.S.B. 1720 amends current law relating to the Math and Science Scholars Loan Repayment Program for teachers who agree to teach mathematics or science in certain school districts in this state.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Sections 61.9831, 61.9840, and 61.9841, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 61, Education Code, by adding Subchapter II, as follows:

SUBCHAPTER II. MATH AND SCIENCE SCHOLARS LOAN REPAYMENT PROGRAM

Sec. 61.9831. **LOAN REPAYMENT ASSISTANCE AUTHORIZED.** Requires the Texas Higher Education Coordinating Board (THECB) to provide, in accordance with this subchapter and THECB rules, assistance in the repayment of eligible student loans for eligible persons who agree to teach mathematics or science for a specified period in school districts that receive federal funding under Title I, Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.).

Sec. 61.9832. **ELIGIBILITY; AGREEMENT REQUIREMENTS.** (a) Requires a person, to be eligible to receive loan repayment assistance under this subchapter, to:

- (1) apply annually for the loan repayment assistance in the manner prescribed by THECB;
- (2) have graduated from high school in this state;
- (3) be a United States citizen;
- (4) have completed an undergraduate or graduate program in mathematics or science;
- (5) have a cumulative grade point average of at least 3.5 on a four-point scale or the equivalent;

(6) have been employed for at least one year as a teacher teaching mathematics or science at a public school located in a school district that receives funding under Title I, Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.);

(7) not be in default on any other education loan;

(8) not receive any other state or federal loan repayment assistance, including a Teacher Education Assistance for College and Higher Education (TEACH) Grant or teacher loan forgiveness;

(9) enter into an agreement with THECB under Subsection (c); and

(10) comply with any other requirement adopted by THECB under this subchapter.

(b) Requires that an initial application for loan repayment assistance under this subchapter include a transcript of the applicant's postsecondary coursework.

(c) Requires a person, to receive loan repayment assistance under this subchapter, to enter into an agreement with THECB that includes the following provisions:

(1) the person will accept an offer of full-time employment to teach mathematics or science, as applicable based on the person's certification, in a public school located in a school district that receives funding under Title I, Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.);

(2) the person will complete four consecutive years of employment as a full-time classroom teacher in a school described by Subdivision (1) whose primary duty is to teach mathematics or science, as applicable, based on the person's certification;

(3) beginning with the school year immediately following the last of the four consecutive school years described by Subdivision (2), the person will complete four additional consecutive school years teaching in any public school in this state; and

(4) the person acknowledges the conditional nature of the loan repayment assistance.

(d) Requires a person, to satisfy the teaching obligation prescribed by an agreement under this section, to teach mathematics or science courses for not less than an average of four hours each school day.

Sec. 61.9833. AWARD. (a) Requires THECB, except as provided by Section 61.9834, to determine the annual amount of loan assistance payments provided under this subchapter in any year to an eligible person, taking into consideration the amount of available funding and other relevant considerations.

(b) Requires THECB to reduce the amount of a single assistance payment or refrain from making a loan assistance payment to an eligible person as necessary to avoid making total payments under this subchapter to the person in an amount greater than the total amount of principal and interest due on the person's eligible loans.

Sec. 61.9834. EXCEPTION TO CONSECUTIVE YEARS OF EMPLOYMENT REQUIREMENT. Requires THECB to excuse an otherwise eligible person from a requirement imposed by Section 61.9832 that the employment qualifying the person for

loan repayment assistance be performed in consecutive years if the break in employment is a result of the person's:

- (1) full-time enrollment in a course of study related to the field of teaching that is approved by the State Board for Educator Certification and provided by an institution of higher education or by a private or independent institution of higher education in this state;
- (2) service on active duty as a member of the armed forces of the United States, including as a member of a reserve or National Guard unit called for active duty;
- (3) temporary total disability for a period of not more than 36 months as established by the affidavit of a qualified physician;
- (4) inability to secure employment as required by Section 61.9832 for a period not to exceed 12 months, because of care required by a disabled spouse or child;
- (5) inability, despite reasonable efforts, to secure, for a single period not to exceed 12 months, employment as required by Section 61.9832; or
- (6) satisfaction of the provisions of any other exception adopted by THECB for purposes of this section.

Sec. 61.9835. ELIGIBLE LOANS. (a) Authorizes THECB to provide repayment assistance under this subchapter for the repayment of any student loan that is for education at a public or private institution of higher education and is received by an eligible person through an eligible lender.

(b) Requires that the note or other writing governing the terms of the loan, if the loan is not a state or federal guaranteed student loan, require the loan proceeds to be used for expenses incurred by a person in attending a postsecondary educational institution.

(c) Prohibits THECB from providing loan repayment assistance under this subchapter for a student loan that is in default at the time of the person's application for repayment assistance.

Sec. 61.9836. PAYMENT OF ASSISTANCE. (a) Requires THECB to pay any loan repayment assistance under this subchapter in a lump sum delivered on the eligible person's behalf directly to the holder of the loan.

(b) Authorizes loan repayment assistance provided under this subchapter to be applied to any amount due on the loan.

(c) Requires THECB, each fiscal biennium, to attempt to allocate all money available to THECB for the purpose of providing loan repayment assistance under this subchapter.

Sec. 61.9837. MATHEMATICS AND SCIENCE TEACHER INVESTMENT FUND. (a) Provides that, in this section, "fund" means the mathematics and science teacher investment fund.

(b) Provides that the fund is a dedicated account in the general revenue fund and consists of gifts, grants, and other donations received for the fund; and interest and other earnings from the investment of the fund.

(c) Authorizes the fund to be used only to provide repayment assistance for the repayment of loans eligible under Section 61.9835, including related administrative costs.

(d) Provides that the fund is exempt from the application of Sections 403.095 (Use of Dedicated Revenue) and 404.071 (Disposition of Interest on Investments), Government Code.

(e) Authorizes THECB to accept grants, gifts, or donations from any public or private entity for the purposes of this subchapter. Requires that all money received under this subchapter be deposited in the fund.

Sec. 61.9838. AMOUNT OF LOAN REPAYMENT ASSISTANCE. (a) Prohibits the total amount of loan repayment assistance paid by THECB under this subchapter from exceeding the total amount of money available in the fund under Section 61.9837 and any other money that THECB is legally authorized to use for purposes of this subchapter.

(b) Authorizes not more than 4,000 eligible persons to be provided loan repayment assistance under this subchapter in any school year.

(b-1) Provides that this subsection expires January 1, 2020. Authorizes not more than the following number of eligible persons, notwithstanding Subsection (b), to be provided loan repayment assistance under this subchapter in the specified school year: in the 2016-2017 school year, not more than 1,000 eligible persons may be provided loan repayment assistance; in the 2017-2018 school year, not more than 2,000 eligible persons may be provided loan repayment assistance; and in the 2018-2019 school year, not more than 3,000 eligible persons may be provided loan repayment assistance.

(c) Requires THECB, if in any year the amount of money available for loan repayment assistance under this subchapter is insufficient to provide loan repayment assistance to each eligible applicant or if there are more eligible applicants than the number authorized by this section, to establish criteria to determine which eligible applicants will be provided repayment assistance as THECB determines appropriate to further the purposes of this subchapter.

Sec. 61.9839. REPAYMENT BASED ON CONTINUING EMPLOYMENT. (a) Authorizes an eligible person to continue to receive loan repayment assistance if the person continues to teach in a public school described by Section 61.9832(a)(6) after the first four years required for eligibility under Section 61.9832(c)(2).

(b) Prohibits a person, if an eligible person transfers to a public school located in a school district that does not receive funding under Title I, Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.), after the first four years required for eligibility under Section 61.9832(c)(2), from receiving more than 75 percent of the maximum annual amount of the loan repayment assistance as determined by THECB.

(c) Provides that a person who does not satisfy the applicable conditions of this subchapter after establishing eligibility for an award of loan repayment assistance under this subchapter is no longer eligible to apply for each assistance.

Sec. 61.9840. RULES. Requires THECB to adopt rules necessary for the administration of this subchapter, including a rule providing for:

(1) the manner in which a person is authorized to apply for loan repayment assistance; and

(2) a method of awarding assistance under this subchapter that:

(A) gives first priority to applicants who are renewing their applications for loan repayment assistance provided under this subchapter; and

(B) awards any remaining available assistance according to a cumulative ranking system developed by THECB based on the number of mathematics and science courses completed by the applicant and the grade received by the applicant for each of those courses.

Sec. 61.9841. APPLICATION FORM. (a) Requires THECB by rule to adopt a common application form for use by new applicants and renewal applicants.

(b) Requires that the form include a section in which the school district for which the applicant has taught for at least one year verifies the applicant's year of employment.

SECTION 2. Requires THECB to begin providing loan repayment assistance under Subchapter II, Chapter 61 (Texas Higher Education Coordinating Board), Education Code, as added by this Act, for eligible persons teaching in the 2016-2017 school year.

SECTION 3. Effective date: upon passage or September 1, 2013.