

- SUBJECT:** Student loan repayment for public school teachers and college faculty
- COMMITTEE:** Higher Education — committee substitute recommended
- VOTE:** 9 ayes — Rangel, Cuellar, F. Brown, Farabee, Goolsby, J. Jones, Morrison, E. Reyna, Wohlgemuth
- 0 nays
- WITNESSES:** None
- BACKGROUND:** The state helps repay undergraduate student loans for full-time teachers who teach in a geographic area or field with an acute shortage of teachers. To be eligible, the teacher must have taught for one year. A teacher may not receive repayment assistance for more than five years. The State Board of Education certifies shortage fields or areas, and the Texas Higher Education Coordinating Board administers the program.
- DIGEST:** CSHB 1576 would expand the public school teacher student loan repayment program to include faculty members with doctoral degrees who teach at higher education institutions located in counties along the Texas-Mexico border.
- The bill would extend the repayment program to include graduate school loans for degrees earned after September 1, 1994. It would increase the repayment assistance period from five to ten years. It also expressly would cover loans for degrees at private institutions.
- The minimum repayment assistance each year for a faculty member would total 50 percent of the principal and interest due for that year. The coordinating board would set the maximum. The coordinating board also would set the minimum and maximum amount of assistance for public school teachers.
- The bill also would remove a section in previous law allowing the coordinating board to prorate assistance for part-time service.
- The bill would take effect September 1, 1999.

**SUPPORTERS
SAY:**

CSHB 1576 would give higher education institutions in under-served areas along the Texas border the incentives they need to attract PhD faculty members. Texas colleges and universities in border counties are unable to compete with larger institutions for faculty. Limited resources limit the salaries they can offer. CSHB 1576 would help those schools attract professors and increase educational services in the border region.

Students who earn doctoral degrees leave school with enormous debts. Starting salaries for college professors, especially at smaller schools or schools that serve historically under-represented populations, are low. With a high debt burden, qualified graduates have no choice but to seek work where the money is. This bill would be a creative way to solve a problem both for higher education institutions and for new graduates of doctoral programs.

**OPPONENTS
SAY:**

Because the bill would offer assistance for private school loans, it would reward students who attend private schools and incur larger amounts debt. In an indirect way, the state would be subsidizing private institutions of higher education for their graduates who are eligible for the program.

NOTES:

The provisions of this bill were added in the House to HB 713 by Cuellar, establishing the Gateway to the Future Grant Program, but the Senate version does not include the amendment.

CSHB 1576 has a fiscal note of \$118,660 in general revenue for fiscal 2000-01.