

SUBJECT: Law school loan repayment assistance for rural attorneys

COMMITTEE: Higher Education — favorable, without amendment

VOTE: 6 ayes — Rangel, F. Brown, Farabee, Goolsby, J. Jones, Uher
0 nays
3 absent — Morrison, E. Reyna, West

WITNESSES: For — Steven Reis, Matagorda County District Attorney's Office
Against — None

DIGEST: HB 2553 would create a loan repayment assistance program for attorneys who agreed to work for a rural district or county attorney's office. A rural county would be defined as one with a population of 50,000 or less.

The Texas Higher Education Coordinating Board (THECB) would have to screen applications of assistant district and county attorneys in rural counties for loan assistance and to contract with those attorneys to provide up to three years of loan assistance in exchange for the attorney's employment at the rural district or county attorney's office for at least five years.

Not later than December 1, 2001, THECB would have to adopt rules governing the administration of the program, including the maximum amount of assistance that an attorney could receive in one year. The board would have to distribute copies of its rules and other pertinent information to each accredited Texas law school and to any county or district attorney's office whose attorneys might be eligible.

If an attorney signed a contract agreeing to work for five years, THECB could assist the attorney with 60 percent of each loans payment in the first year, 80 percent of each payment in the second year, and 100 percent of each payment in the third year. The loan assistance payments would be considered a loan to the lawyer until the entire five years of service was completed, and the attorney would have to sign a promissory note to that effect. The bill

would provide for repayment terms in the event of the attorney's default on the five-year service agreement.

The bill would establish the rural district and county attorney student loan assistance trust fund, established outside the state treasury and administered by the comptroller. Money for the fund could come from private donations and state appropriation, but the bill would require no appropriations. THECB could solicit grants, donations, and gifts for the trust fund.

This bill would take effect September 1, 2001.

**SUPPORTERS
SAY:**

Many rural counties cannot afford to pay their assistant district and county attorneys large salaries. For instance, in one county, salaries for misdemeanor attorneys range from less than \$30,000 per year for a first-year attorney to \$41,000 per year for a 14-year attorney, while felony prosecutors earn between \$40,000 and \$61,000 per year. At the same time, many law graduates, especially those who have attended private law schools, can owe tens of thousands of dollars in student loans that they must begin repaying upon graduation. Such students cannot afford to work as prosecutors, no matter how much they might want to, or at least not for long. The result is high turnover in rural district and county attorney's offices and difficulty recruiting attorneys in the first place. By helping these young attorneys repay their student loans, HB 2553 would help these rural counties attract and retain young lawyers.

Such a program would be consistent with others designed to attract young professionals to hard-to-fill public service positions, such as those for doctors and dentists, in underserved areas.

**OPPONENTS
SAY:**

No apparent opposition.

NOTES:

A related bill, HB 2677 by Delisi, which would implement a similar loan repayment assistance plan for lawyers with the Attorney General's Office, has been set on the House General State Calendar for May 3.