

## **BILL ANALYSIS**

Senate Research Center  
77R2148 KKA-D

S.B. 475  
By: Bernsen  
Education  
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As Filed

### **DIGEST AND PURPOSE**

Many rural school districts cannot compete with urban and suburban districts on teacher salaries and benefits, exacerbating the difficulty rural teachers have in finding adequate housing in towns that offer limited choices. As proposed, S.B. 475 requires the commissioner of education to establish a housing stipend program for teachers who agree to teach in rural areas of the state.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the commissioner of education, or a person designated by the commissioner, in SECTION 1 (Sec. 21.602, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 21, Education Code, by adding Subchapter M, as follows:

#### **SUBCHAPTER M. RURAL HOUSING STIPEND PROGRAM**

Sec. 21.601. DEFINITIONS. Defines “account,” “program,” “rural area.”

Sec. 21.602. ESTABLISHMENT OF PROGRAM. Requires the commissioner of education (commissioner) or a person designated by the commissioner to establish, by rule, a program under which housing stipends are awarded to persons who agree to teach in rural areas for at least five years.

Sec. 21.603. ELIGIBILITY. Sets forth the conditions and criteria a person must meet to be eligible to receive a housing stipend.

Sec. 21.604. AWARD OF HOUSING STIPENDS. Requires the commissioner to award housing stipends through a statewide competition based on certain applications. Requires the commissioner to determine the number of stipends awarded based on the amount of funding available. Requires a person’s application to include certain information regarding local financial support to be provided by the person’s sponsoring school district. Requires the commissioner to award housing stipends after considering certain criteria. Prohibits the commissioner from using the applicants performance on a standardized test as the sole criterion to determine the applicant’s selection. Requires the commissioner to develop guidelines to be used by a school district in identifying persons for nomination and sponsorship under the program.

Sec. 21.605. AMOUNT OF HOUSING STIPEND; FUNDING. Provides that a person selected to receive a housing stipend is entitled to receive a stipend in the amount of \$500 monthly during the five-year period in which the person teaches full-time in a public school in the sponsoring school district. Provides that a housing stipend a person receives under this section is not considered in determining whether the district is paying the teacher the minimum salary under Section 21.402. Requires the commissioner to pay the housing stipend from

amounts available in the account. Requires a person's sponsoring school district to contribute a certain amount of the housing stipend paid to the person sponsored by the district, in accordance with rules adopted by the commissioner. Requires the school district's contribution be deposited in the account.

Sec. 21.606. REPAYMENT OF HOUSING STIPEND. Requires a person who voluntarily leaves employment with or is terminated for cause by the sponsoring school district before the expiration of a specific five-year teaching period to repay all amounts received by the person under the program. Authorizes the commissioner to waive repayment under certain circumstances. Requires the commissioner to require a person who receives a housing stipend to sign a certain promissory note. Requires the commissioner to determine the terms of the promissory note. Requires the commissioner to distribute certain amounts to the person's sponsoring school district upon recovery of repayment from a person under this section.

Sec. 21.607. ACCOUNT. Provides that the rural housing teacher stipend account is an account in the general revenue fund and authorizes the account to be appropriated to the Texas Education Agency only for specific purposes. Provides that the account consists of certain transfers to the account.

SECTION 2. Effective date: September 1, 2001.