

## **BILL ANALYSIS**

Senate Research Center  
81R30966 JSA-F

C.S.S.B. 2277  
By: Ellis, Williams  
Administration  
5/12/2009  
Committee Report (Substituted)

### **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.

C.S.S.B. 2277 amends current law relating to authorizing certain entities in the legislative branch to provide student loan repayment assistance to employees who are 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 FOR ATTORNEYS EMPLOYED BY CERTAIN AGENCIES AND ENTITIES IN THE LEGISLATIVE BRANCH**

Sec. 56.101. **REPAYMENT ASSISTANCE AUTHORIZED.** (a) Authorizes either house of the legislature or a state agency in the legislative branch of state government 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 who are employed by the legislative house or agency and 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 entity that employs the attorney, have been employed by the entity for a period that includes at least one entire regular session of the legislature, and be employed by the entity when the attorney applies for the assistance.

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

Sec. 56.104. **ELIGIBLE LOANS.** (a) Authorizes the entity that employs the attorney 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. FORM OF REPAYMENT. (a) Requires the entity that employs the attorney to provide repayment assistance under this subchapter through payment made payable to both the attorney and the lender or other holder of the affected loan, or delivered directly to the lender or other holder of the loan on the attorney's behalf.

(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 EMPLOYING ENTITY. Authorizes an entity that provides repayment assistance under this subchapter 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 an entity that provides repayment assistance under this subchapter to develop policies for the administration of this subchapter that are consistent with the rules and statutes governing the entity.

(b) Authorizes the entity 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.