

BILL ANALYSIS

C.S.H.B. 518
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Corrections
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Texas Department of Criminal Justice (TDCJ) often has difficulty recruiting and retaining correctional officers. The bill provides an additional tool for recruitment efforts, as well as improvement in employee morale and retention, by establishing a pilot program for student loan repayment assistance for correctional officers. The pilot program offers a loan repayment plan to qualified individuals attending Sam Houston State University who agree to serve as correctional officers for a certain amount of time. The bill permits the program to be expanded, if it is deemed successful by the Texas Higher Education Coordinating Board, to other academic teaching institutions located near TCDJ confinement facilities.

C.S.H.B. 518 establishes the correctional officer loan repayment assistance pilot program.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTIONS 1 and 2 of this bill.

ANALYSIS

C.S.H.B. 518 amends the Education Code to require the Texas Higher Education Coordinating Board to establish the correctional officer loan repayment assistance pilot program using money in the correctional officer loan repayment assistance trust fund to provide assistance in the repayment of student loans for correctional officers who apply and qualify for the assistance.

C.S.H.B. 518 requires the board, not later than December 1, 2009, to adopt rules necessary to administer the pilot program. The bill authorizes the board to consult with the Texas Department of Criminal Justice (TDCJ) to assist the board in establishing priorities among eligible correctional officers for repayment assistance.

C.S.H.B. 518 requires a correctional officer to meet the following eligibility requirements to receive repayment assistance:

- to have received a baccalaureate degree from Sam Houston State University or from another general academic teaching institution selected by the board to participate in the program, if the board expands the program to include an additional general academic teaching institution;
- to establish to the board that: the repayment assistance will be used to repay any part of a student loan received by the correctional officer to cover the officer's cost of attendance in connection with enrollment in junior-level or senior-level course work in the baccalaureate degree program at the institution; that during the period of the correctional officer's enrollment at that institution, the officer was employed full-time as a correctional officer in Texas, was classified as a Texas resident for higher education tuition purposes, established financial need as determined by board rule, and maintained good academic standing at the institution as determined by board rule; and that the officer

has not committed an offense of abuse of office, an offense regarding prohibited substances and items in an adult or juvenile correctional or detention facility or on the property of TDCJ or the Texas Youth Commission or regarding contraband in a correctional facility, an offense under any other provision of the Penal Code in which the victim was a person in the custody of TDCJ at the time the offense occurred, or an offense the elements of which are equivalent to a criminal offense under the law of another state, federal law, or the law of a foreign government;

- to complete at least two full years of employment as a full-time correctional officer in Texas not later than the second anniversary of the date of the person's graduation from the institution; and
- to comply with any other requirements adopted by board rule regarding the pilot program.

C.S.H.B. 518 authorizes the board to provide repayment assistance for the repayment of any student loan received by an eligible correctional officer through any lender for the cost of attendance for enrollment at Sam Houston State University or at another general academic teaching institution that is selected by the board to participate in the program. The bill authorizes the board to withhold repayment assistance for a student loan that is in default at the time of the correctional officer's application. The bill requires the board, in each state fiscal biennium, to attempt to allocate all funds available in the trust fund for the purpose of providing repayment assistance.

C.S.H.B. 518 requires the board to deliver any repayment under the pilot program in a lump sum payable to both the lender or other holder of the loan and to the correctional officer, or on the correctional officer's behalf directly to the lender or other holder of the loan. The bill authorizes a repayment to be applied to any amount due in connection with the loan and authorizes the board to grant prior conditional approval to a correctional officer who completes each eligibility requirement, other than the requirement that a correctional officer complete at least two full years of employment as a full-time correctional officer in Texas not later than the second anniversary of the date of the person's graduation from the institution, and to reserve money in the trust fund for disbursement under the pilot program on the officer's completion of that requirement.

C.S.H.B. 518 prohibits the loan repayment amount for one year of full-time employment as a correctional officer beginning two years after graduation from Sam Houston State University or from another general academic teaching institution that is selected by the board to participate in the program from exceeding the cost of attendance required for the officer to enroll in 30 semester credit hours of junior-level or senior-level course work at the institution. The bill prohibits the total amount of repayment assistance distributed by the board under the pilot program from exceeding the total amount of gifts and grants accepted by the board for repayment assistance, legislative appropriations for repayment assistance, and other funds available to the board for the pilot program's purposes.

C.S.H.B. 518 requires the board to award repayment assistance under the pilot program from the amount available in the trust fund, which is established outside the treasury but is held in trust by the comptroller of public accounts. The bill authorizes money in the trust fund to be spent without appropriation and only to fund the pilot program and requires interest and income from the assets of the trust fund to be credited to and deposited in the trust fund. The bill authorizes the board, in each state fiscal year, to spend from the trust fund to cover the costs of administering the pilot program an amount not to exceed 2.5 percent of the total amount of money deposited into the trust fund in that fiscal year. The bill authorizes the board to solicit and accept gifts and grants from any public or private source for the purposes of the pilot program and requires the board to deposit a gift or grant to the credit of the trust fund. The bill authorizes the legislature to appropriate money to the trust fund.

C.S.H.B. 518 requires the board to evaluate the effectiveness of the pilot program and to report the results to the legislature not later than December 31 of each even-numbered year. The bill authorizes the board by rule to expand the program, if the board determines that expansion would enhance the effectiveness of the program or improve the board's ability to evaluate the program, to include as eligible to receive repayment assistance a correctional officer who received a baccalaureate degree from a general academic teaching institution other than Sam Houston State University that is located near a confinement facility operated by TDCJ and that is selected by the board to participate in the program, and who meets all other eligibility requirements. The bill requires the board to include in the report information regarding the effectiveness of the expansion, if the board expands the program, and the name of each additional general academic teaching institution selected to participate in the program.

C.S.H.B. 518 requires the board to distribute to Sam Houston State University, any other general academic teaching institution selected by the board to participate in the program, each public junior college, and appropriate state agencies and professional associations copies of the rules adopted by the board and other pertinent information relating to the pilot program.

C.S.H.B. 518 prohibits the board from awarding repayment assistance under the pilot program to pay the costs of enrollment in an academic year after the 2015-2016 academic year. The bill abolishes the trust fund on January 1, 2019, and requires any amount remaining in the trust fund to be transferred to the general revenue fund.

C.S.H.B. 518 defines "correctional officer" and "trust fund."

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 518, in the provisions regarding the purpose of loan repayment assistance, differs from the original by providing that the loan repayment assistance is to be used to repay any part of a student loan received by the officer to cover the officer's cost of attendance in connection with enrollment in certain course work, rather than to cover tuition and fees required for enrollment in such course work, as in the original.

C.S.H.B. 518 adds a provision not in the original requiring that a correctional officer not have committed certain offenses to be eligible to receive repayment assistance. The substitute differs from the original by requiring an officer, to be eligible for repayment assistance, to complete two years of employment within a certain timeframe, rather than one year of employment as in the original. The substitute removes a provision in the original requiring the board's delivery of any lump sum loan repayment to be in accordance with any applicable federal law. The substitute requires the board to deliver any loan repayment in a lump sum payable to both the lender or other holder of the loan and to the correctional officer or on the correctional officer's behalf directly to the lender or other holder of the loan, whereas the original only requires such delivery to the lender and the correctional officer. The substitute adds a provision not in the original to specify that the loan repayment amount, for one year of full-time employment as a correctional officer, begins two years after graduation from the officer's respective institution.

C.S.H.B. 518 differs from the original in nonsubstantive ways by using language reflective of certain bill drafting conventions.