

By: _____

____.B. No. _____

A BILL TO BE ENTITLED

1 AN ACT

2 relating to student loan repayment assistance for certain attorneys
3 providing legal services in rural counties.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. The heading to Subchapter Y, Chapter 61,
6 Education Code, is amended to read as follows:

7 SUBCHAPTER Y. REPAYMENT OF CERTAIN STUDENT [~~LAW SCHOOL EDUCATION~~]
8 LOANS: RURAL CRIMINAL JUSTICE SYSTEM [~~ASSISTANT DISTRICT OR~~
9 ~~COUNTY~~] ATTORNEY

10 SECTION 2. Subchapter Y, Chapter 61, Education Code, is
11 amended by amending Sections 61.9601, 61.9602, 61.9603, 61.9604,
12 61.9606, and 61.9607 and adding Sections 61.96061 and 61.96062 to
13 read as follows:

14 Sec. 61.9601. DEFINITION. In this subchapter, "rural
15 county" means a county with a population of 100,000 [~~50,000~~] or
16 less.

17 Sec. 61.9602. REPAYMENT ASSISTANCE AUTHORIZED. (a) The
18 board shall provide, using funds appropriated for that purpose and
19 in accordance with this subchapter and board rules, assistance in
20 the repayment of eligible student [~~law school education~~] loans for
21 eligible attorneys who apply and qualify for the assistance.

22 (b) The provision of financial assistance in the repayment
23 of student [~~education~~] loans under this subchapter promotes a
24 public purpose.

1 Sec. 61.9603. ELIGIBILITY. To be eligible to receive
2 repayment assistance, an attorney must:

3 (1) apply to the board;

4 (2) have earned a law degree from an accredited law
5 school;

6 (3) be an attorney licensed in this state;

7 (4) have an outstanding student loan balance; and

8 (5) be currently:

9 (A) employed as:

10 (i) a prosecuting [an] attorney by a
11 district or county attorney's office that serves a rural county; or

12 (ii) a public defender by a county public
13 defender's office that serves a rural county; or

14 (B) appointed as an attorney to represent
15 indigent individuals who, in the most recent calendar year,
16 provided services to those individuals in one or more rural
17 counties for not less than:

18 (i) 200 hours; or

19 (ii) 10 cases [and

20 ~~enter into an agreement to remain employed by the~~
21 ~~district or county attorney's office as provided by Section~~
22 ~~61.9605].~~

23 Sec. 61.9604. ELIGIBLE LOANS. (a) The board may provide
24 repayment assistance under this subchapter for the repayment of any
25 student [education] loan [received by the attorney through any
26 lender] for the costs of attendance [education] at an institution
27 of higher education, a private or independent institution of higher

1 education, or a public or private out-of-state institution of
2 higher education accredited by a recognized accrediting agency,
3 including loans for undergraduate education, received by an
4 eligible person through any lender [~~a school of law authorized by~~
5 ~~the board to award a degree that satisfies the law study~~
6 ~~requirements for licensure as an attorney in this state~~].

7 (b) The board may not provide repayment assistance for a
8 student [~~an education~~] loan that is in default at the time of the
9 attorney's application.

10 Sec. 61.9606. REPAYMENT. (a) [~~Except as provided by~~
11 ~~Section 61.9609(a), the board shall provide repayment assistance~~
12 ~~under this subchapter in the following amounts:~~

13 [~~(1) 60 percent of each payment due on an attorney's~~
14 ~~eligible loans during the first 12-month period after the attorney~~
15 ~~enters into the agreement under Section 61.9605,~~

16 [~~(2) 80 percent of each payment due on an attorney's~~
17 ~~eligible loans during the second 12-month period after the attorney~~
18 ~~enters into the agreement, and~~

19 [~~(3) 100 percent of each payment due on an attorney's~~
20 ~~eligible loans during the third 12-month period after the attorney~~
21 ~~enters into the agreement.~~

22 [~~(b)~~] The board shall deliver any repayment assistance made
23 under this subchapter in a lump sum payable:

24 (1) to both the lender or other holder of the loan and
25 the attorney; or

26 (2) directly to the lender or other holder of the loan
27 on the attorney's behalf [~~and in accordance with any applicable~~

1 ~~federal law~~].

2 (b) [~~(c)~~] Loan repayment assistance received under this
3 subchapter may be applied to the principal amount of the loan and to
4 interest that accrues.

5 Sec. 61.96061. AMOUNT OF REPAYMENT ASSISTANCE. (a)
6 Subject to Subsection (b), an attorney may receive loan repayment
7 assistance under this subchapter for each year the attorney
8 establishes eligibility for the assistance in an amount determined
9 by the board not to exceed:

- 10 (1) for the first year, \$30,000;
11 (2) for the second year, \$40,000;
12 (3) for the third year, \$50,000; and
13 (4) for the fourth year, \$60,000.

14 (b) The total amount of repayment assistance received by an
15 attorney under this subchapter may not exceed \$180,000.

16 Sec. 61.96062. LIMITATIONS. An attorney may receive loan
17 repayment assistance under this subchapter for not more than four
18 years.

19 Sec. 61.9607. ADVISORY COMMITTEE. (a) The board shall
20 [~~may~~] appoint an advisory committee from outside the board's
21 membership to assist the board in performing the board's duties
22 under this subchapter.

23 (b) The advisory committee shall be composed of an equal
24 number of members appointed by:

- 25 (1) the Texas District and County Attorneys
26 Association;
27 (2) the Texas Indigent Defense Commission; and

1 (3) the Texas Judicial Council.

2 (c) The advisory committee shall make recommendations to
3 the board regarding rules that:

4 (1) establish a method for documenting and verifying
5 the number of hours worked or cases defended for purposes of Section
6 61.9603(5)(B); and

7 (2) allocate repayment funding under this subchapter
8 in a manner that incentivizes service in the most rural counties.

9 (d) In developing recommendations under Subsection (c)(2),
10 the advisory committee shall consider:

11 (1) the population of the counties in which applicants
12 for repayment assistance under this subchapter provide services;

13 (2) the degree of scarcity of prosecutors, public
14 defenders, and indigent defense services providers in those
15 counties; and

16 (3) for applicants who are attorneys appointed to
17 represent indigent defendants:

18 (A) the distances between counties in which an
19 applicant provides indigent defense services;

20 (B) the volume of cases handled by an applicant;
21 and

22 (C) the number of hours that an applicant
23 provided indigent defense services in the applicable calendar year.

24 SECTION 3. Section 61.9608(a), Education Code, is amended
25 to read as follows:

26 (a) The loan repayment assistance program established by
27 this subchapter is funded from the rural criminal justice system

1 ~~[district and county]~~ attorney student loan assistance trust fund.
2 The trust fund is established outside the treasury and is
3 administered by the comptroller. Money in the trust fund may be
4 spent without appropriation and only to fund the program. Interest
5 and income from the assets of the trust fund shall be credited to
6 and deposited in the trust fund.

7 SECTION 4. Section 61.9609, Education Code, is amended to
8 read as follows:

9 Sec. 61.9609. RULES. (a) The board shall adopt rules
10 necessary for the administration of this subchapter~~[, including a~~
11 ~~rule that sets the maximum amount of loan repayment assistance that~~
12 ~~an attorney may receive in one year]~~.

13 (b) The board shall distribute a copy of the rules adopted
14 under this section and pertinent information in this subchapter to:

15 (1) each school of law authorized by the board to award
16 a degree that satisfies the law study requirements for licensure as
17 an attorney in this state ~~[described by Section 61.9604(a)]~~; ~~[and]~~

18 (2) any appropriate district or county attorney's
19 office;

20 (3) the Texas Indigent Defense Commission; and

21 (4) any appropriate public defender's office
22 ~~[attorneys]~~.

23 (c) The board shall administer the program under this
24 subchapter in a manner that maximizes any matching funds available
25 through other sources.

26 SECTION 5. Section 61.9605, Education Code, is repealed.

27 SECTION 6. (a) As soon as practicable after the effective

1 date of this Act, the Texas Higher Education Coordinating Board
2 shall adopt rules necessary to administer Subchapter Y, Chapter 61,
3 Education Code, as amended by this Act.

4 (b) Subchapter Y, Chapter 61, Education Code, as amended by
5 this Act, applies only to loan repayment assistance initially
6 provided under that subchapter on or after the effective date of
7 this Act. A loan repayment assistance agreement entered into under
8 that subchapter before the effective date of this Act is governed by
9 the law in effect immediately before that date, and the former law
10 is continued in effect for that purpose.

11 SECTION 7. This Act takes effect September 1, 2023.