

STORAGE NAME: h0307.jo.doc
DATE: February 11, 2002

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
JUDICIAL OVERSIGHT
ANALYSIS**

BILL #: HB 307
RELATING TO: Student Loans/Attorneys/Public Defenders
SPONSOR(S): Representatives Paul and Seiler
TIED BILL(S): None

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) JUDICIAL OVERSIGHT
 - (2) CRIMINAL JUSTICE APPROPRIATIONS
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

THIS DOCUMENT IS NOT INTENDED TO BE USED FOR THE PURPOSE OF CONSTRUING STATUTES, OR TO BE CONSTRUED AS AFFECTING, DEFINING, LIMITING, CONTROLLING, SPECIFYING, CLARIFYING, OR MODIFYING ANY LEGISLATION OR STATUTE.

This bill requires the Judicial Administrative Commission to administer a student loan repayment program for assistant state attorneys and assistant public defenders. The purpose of the program is to provide financial assistance for assistant state attorneys and assistant public defenders with law school student loans.

This bill provides that once an assistant state attorney or assistant public defender has served in that position for three years, the Judicial Administrative Commission may make yearly payments of up to \$3,000 to the student loan lender on behalf of the attorney. When an attorney completes six years of continuous service, the payment amount is increased to up to \$5,000. Student loan assistance ends upon completion of payment on the loan, completion of twelve years of continuous service, or when payments made on behalf of the attorney equal \$44,000.

The fiscal impact of this bill on state government could be as high as \$3.68 million during the first year. The cost for subsequent years is not known. This bill does not appear to have a fiscal impact on local governments.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|--|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

This bill provides for a new government program and requires an additional FTE.

B. PRESENT SITUATION:

State Attorneys and Public Defenders

In Florida, criminal prosecutions are conducted by the state attorney. See Art. V, s. 17, Fla. Const. Florida is divided into twenty judicial circuits and each circuit has an elected state attorney. Indigent criminal defendants are represented by a public defender. See Art. V, s. 18, Fla. Const. Each judicial circuit has an elected public defender. State attorneys and public defenders are permitted to hire assistants. See Art. V, s.s. 16, 17, Fla. Const.

Assistant state attorneys and assistant public defenders were guaranteed a minimum salary of \$35,931, effective January 1, 2002, under the 2001-2002 General Appropriations Act.¹ Assistant state attorneys and assistant public defenders are considered senior management service for retirement purposes.

Costs of Attending Law School

According to the Florida State University College of Law, an in-state student paid \$182.30 per credit hour and an out-of-state student paid \$606.40 per credit hour for tuition during the 2001-2002 academic year. Eighty-eight credit hours are required for graduation so the tuition costs would be approximately \$16,000 for an in-state student and \$53,400 for an out-of-state student.² The University of Florida Levin College of Law estimates approximately \$10,000 per year for books and living expenses while in law school. Private law schools are significantly greater. Tuition at the University of Miami is approximately \$26,000 per year so tuition would be \$78,000 over the three year program.

Students may borrow money through the federal Stafford Loan Program where the loan is either subsidized by the federal government or not subsidized. Under the subsidized program, where eligibility is based on a student's financial need, student loan interest is paid by the federal government while the student is in school. Under the unsubsidized program, available to students

¹ Attorneys at executive branch agencies start at \$35,931.

² Tuition at the University of Florida Levin College of Law was approximately \$161 per credit hour for an in-state student during 1999-2000.

who do not qualify for the subsidized program, interest accrues while the student is in school but repayment is deferred until the student leaves school. According to the Florida State University Financial Aid Office, student are allowed to borrow as much as \$18,500 per academic year under these programs.

C. EFFECT OF PROPOSED CHANGES:

This bill requires the Judicial Administrative Commission to administer a student loan program for assistant state attorneys and assistant public defenders. The purpose of the program is to provide financial assistance for assistant state attorneys and assistant public defenders with law school government loans.

This bill provides that once an assistant state attorney or assistant public defender has served in that position for three years, the state attorney or public defender office may submit an affidavit of certification. Once the certification is received, the Judicial Administrative Commission may make yearly payments of up to \$3,000 to the student loan lender on behalf of the attorney. When an attorney completes six years of continuous service, the payment amount is increased to up to \$5,000. Upon completion of twelve years of continuous service or completion of payment of the student loan, payments must cease. Total payments on behalf of any one individual under the program may not exceed \$44,000.

This bill provides that the program shall be funded out of the General Revenue Fund to the Justice Administrative Commission on an annual basis. This bill does not provide an appropriation.

This bill takes effect on July 1, 2002.

D. SECTION-BY-SECTION ANALYSIS:

See "Present Situation" and "Effect of Proposed Changes".

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The exact cost of the program is not known. The Justice Administrative Commission provided information showing that on December 11, 2001, there were 567 assistant state attorneys and 344 assistant public defenders with at least three years continuous service. However, it is not known how many of those attorneys have outstanding government loans or how many eligible attorneys would be working on the bill's effective date. If every attorney has outstanding student loans and the appropriate payment was made on behalf of each attorney, the program would cost \$3.68 million during the first year. It is not known what the program would cost in subsequent years.

In addition, the Justice Administration Commission will need an additional FTE to administer the program. The Commission said that \$65,000 would be required in FY 2002-2003 and \$67,000 in FY 2003-2004 for this position.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that counties or municipalities have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. OTHER COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

STORAGE NAME: h0307.jo.doc

DATE: February 11, 2002

PAGE: 5

VII. SIGNATURES:

COMMITTEE ON JUDICIAL OVERSIGHT:

Prepared by:

Staff Director:

L. Michael Billmeier, Jr., J.D.

Nathan L. Bond, J.D.