THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1980 Session of 2019

INTRODUCED BY TOOHIL, KAUFER, MURT, SCHLOSSBERG, KINSEY, ISAACSON, A. DAVIS, DALEY, DeLUCA, McCLINTON, BURGOS, KENYATTA, CALTAGIRONE, SIMS, HOHENSTEIN, READSHAW, MULLINS AND T. DAVIS, OCTOBER 23, 2019

REFERRED TO COMMITTEE ON CHILDREN AND YOUTH, OCTOBER 23, 2019

AN ACT

Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain 2 provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," providing for child welfare worker education loan assistance. 6 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: 8 9 Section 1. The act of March 10, 1949 (P.L.30, No.14), known 10 as the Public School Code of 1949, is amended by adding an 11 article to read: 12 ARTICLE XXII-C 13 CHILD WELFARE WORKER EDUCATION LOAN ASSISTANCE 14 (a) General Provisions. 15 Section 2201-C. Scope. 16 This article deals with child welfare worker education loan 17 assistance. Section 2202-C. Purpose. 18 The purpose of this article is to provide an incentive to 19

- 1 Pennsylvania students to pursue higher education and training in
- 2 <u>child welfare social work in order to maintain the delivery of</u>
- 3 quality services at county child welfare agencies in this
- 4 Commonwealth.
- 5 Section 2203-C. Definitions.
- 6 The following words and phrases when used in this article
- 7 shall have the meanings given to them in this section unless the
- 8 context clearly indicates otherwise:
- 9 <u>"Agency." The Pennsylvania Higher Education Assistance</u>
- 10 Agency.
- 11 "Approved institution of higher learning." An institution of
- 12 <u>higher learning located in this Commonwealth and approved by the</u>
- 13 <u>agency</u>.
- "Child welfare worker." A person who is employed by a county
- 15 agency to perform duties relating to child welfare consistent
- 16 with State law.
- 17 "County agency." A county child welfare agency in this
- 18 Commonwealth.
- (b) Program.
- 20 Section 2211-C. Pennsylvania Child Welfare Worker Education
- Loan Assistance Program.
- The agency shall establish and administer the Pennsylvania
- 23 Child Welfare Worker Education Loan Assistance Program as
- 24 specified in section 2212-C to provide financial assistance to
- 25 <u>individuals who acquire the required degree or diploma to be</u>
- 26 employed as a child welfare worker.
- 27 <u>Section 2212-C. Loan forgiveness program.</u>
- 28 (a) Establishment of program. -- The agency shall administer a
- 29 loan forgiveness program for applicants on a Statewide basis.
- 30 The agency may provide loan forgiveness as provided in

- 1 subsection (b) for recipients of loans who by contract with the
- 2 agency agree to be employed as a child welfare worker in this
- 3 Commonwealth upon attainment of the required degree.
- 4 (b) Loan forgiveness.--Agency-administered, federally
- 5 <u>insured student loans for higher education provided to an</u>
- 6 applicant may be forgiven by the agency as follows:
- 7 (1) The agency may forgive 50% of the loan, not to
- 8 <u>exceed \$50,000, if a loan recipient enters into a contract</u>
- 9 with the agency that requires the recipient upon successful
- 10 completion of the required degree to be employed as child
- 11 <u>welfare worker in this Commonwealth for a period of not less</u>
- 12 <u>than three consecutive years.</u>
- 13 (2) Loan forgiveness awards made under paragraph (1)
- shall be forgiven over a period of three years at an annual
- rate of 33 1/3% of the award and shall be made from funds
- 16 <u>appropriated for this purpose.</u>
- 17 (3) The contract entered into with the agency pursuant
- 18 to paragraph (1) shall be considered a contract with the
- 19 Commonwealth and shall include the following terms:
- 20 (i) A recipient shall apply for employment as a
- 21 child welfare worker at the earliest practicable
- 22 opportunity upon successfully completing the required
- degree.
- 24 (ii) Within six months after completion of the
- 25 degree, a recipient shall be employed as a child welfare
- worker in this Commonwealth according to the terms of the
- loan forgiveness award.
- 28 (iii) The recipient shall agree to be employed as a
- 29 child welfare worker on a full-time basis.
- 30 (iv) The recipient shall permit the agency to

1 determine compliance with the work requirement for child 2 welfare workers and all other terms of the contract. 3 (v) Upon the recipient's death or total or permanent disability, the agency shall nullify the service 4 obligation of the recipient. 5 (vi) If the recipient is convicted of or pleads 6 7 quilty or no contest to a felony or if the county agency has determined that the recipient has committed an act of 8 gross negligence in the performance of service 9 obligations or has terminated the recipient for cause, 10 11 the agency shall have the authority to terminate the 12 recipient's service in the program and demand repayment 13 of the amount of the loan as of the date of the conviction or termination. 14 (vii) Loan recipients who fail to begin or complete 15 16 the obligations contracted for shall pay to the agency the amount of the loan received under the terms of the 17 contract pursuant to this section. Providing false 18 information or misrepresentation on an application or 19 20 verification of service shall be deemed a default. 21 Determination as to the time of default shall be made by 22 the agency. (4) Notwithstanding 42 Pa.C.S. § 8127 (relating to 23 24 personal earnings exempt from process), the agency may seek 25 garnishment of wages in order to collect the amount of the 26 loan following default under paragraph (3) (vii). Section 2213-C. Tax applicability. 27 28 Loan forgiveness repayments received by a student shall not 29 be considered taxable income for purposes of Article III of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code 30

- 1 of 1971.
- 2 (c) Miscellaneous Provisions.
- 3 <u>Section 2221-C. Annual report.</u>
- 4 (a) Development of report. -- The agency shall publish a
- 5 report by September 1, 2020, and every year thereafter for the
- 6 <u>immediately preceding fiscal year. The report shall include</u>
- 7 <u>information regarding the operation of the program established</u>
- 8 <u>under this article, including:</u>
- 9 (1) The number and amount of loan contracts executed for
- the child welfare worker loan forgiveness program.
- 11 (2) The number and amount of child welfare worker loan
- forgiveness contracts executed and renewed for applicants.
- 13 (3) The number of defaulted child welfare worker loan
- 14 <u>forgiveness contracts, reported by cause.</u>
- 15 <u>(4) The number of child welfare workers participating in</u>
- the child welfare worker loan forgiveness program, reported
- by type of institution attended, including four-year
- 18 educational institutions, community colleges, independent
- 19 two-year colleges, private licensed schools, hospital-based
- 20 courses of study and certificate programs.
- 21 (5) The number and type of enforcement actions taken by
- the agency.
- 23 (b) Submission.--The annual report shall be submitted to the
- 24 Governor, the chairperson and minority chairperson of the
- 25 Appropriations Committee of the Senate, the chairperson and
- 26 minority chairperson of the Appropriations Committee of the
- 27 House of Representatives, the chairperson and minority
- 28 chairperson of the Education Committee of the Senate, the
- 29 chairperson and minority chairperson of the Education Committee
- 30 of the House of Representatives, the chairperson and minority

- 1 <u>chairperson of the Public Health and Welfare Committee of the</u>
- 2 <u>Senate and the chairperson and minority chairperson of the</u>
- 3 Health and Human Services Committee of the House of
- 4 Representatives.
- 5 Section 2222-C. Appeals.
- 6 The provisions of this article shall be subject to 22 Pa.
- 7 Code Ch. 121 (relating to student financial aid).
- 8 <u>Section 2223-C. Regulations.</u>
- 9 The agency shall adopt regulations and procedures necessary
- 10 to carry out the purposes of this article.
- 11 <u>Section 2224-C. Funding.</u>
- 12 Loan forgiveness repayments shall be made only to the extent
- 13 that funds are appropriated for that purpose and are sufficient
- 14 to cover administration of the programs. The receipt of a loan
- 15 under this article shall not constitute an entitlement derived
- 16 from the Commonwealth or a claim on any funds of the
- 17 Commonwealth.
- 18 Section 2. This act shall take effect in 60 days.