

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**HOUSE BILL****No. 282**      Session of  
2007

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INTRODUCED BY PETRONE, BISHOP, CALTAGIRONE, COSTA, CURRY, DALEY, DeLUCA, DENLINGER, EACHUS, FABRIZIO, FRANKEL, FREEMAN, GEORGE, GERGELY, GIBBONS, GOODMAN, GRELL, GRUCELA, HENNESSEY, JAMES, JOSEPHS, KING, KOTIK, KULA, LEACH, LEVDANSKY, MANN, McILHATTAN, MURT, MUSTIO, NAILOR, O'NEILL, PETRARCA, ROAE, SAMUELSON, SIPTROTH, SOLOBAY, STABACK, STURLA, SURRA, TANGRETTI, YUDICHAK, WALKO, WHEATLEY, WAGNER, BRENNAN AND McGEEHAN, FEBRUARY 6, 2007

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AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES,  
MARCH 19, 2007

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## AN ACT

1 Providing for Commonwealth support for a Mental Health and  
2 Mental Retardation Staff Member Loan Forgiveness Program and  
3 an Alcohol and Drug Addiction Counselor Loan Forgiveness  
4 Program for Commonwealth residents who graduate from  
5 institutions of higher education and who apply their degrees  
6 to careers as mental health and mental retardation staff  
7 members in this Commonwealth.

8 The General Assembly of the Commonwealth of Pennsylvania  
9 hereby enacts as follows:

10 Section 1. Short title.

11 This act shall be known and may be cited as the Mental Health  
12 and Mental Retardation Staff Member and Alcohol and Drug  
13 Addiction Counselor Loan Forgiveness Programs Act.

14 Section 2. Findings and declaration of purpose.

15 The General Assembly finds and declares that:

16 (1) Community-based mental health, mental retardation  
17 and alcohol and drug addiction treatment services offer

1 lifelong supports and opportunities for a meaningful quality  
2 of life, in fulfillment of Federal and State laws.

3 (2) Treatment of alcohol and other drug addiction is a  
4 crucial investment in our health care, in the stability of  
5 our families and in protecting the public safety.

6 (3) A qualified and stable work force is the key to  
7 quality community mental health and mental retardation  
8 services and to quality alcohol and drug addiction counseling  
9 services.

10 (4) The pool of qualified staff members has diminished.

11 (5) The number of college students planning to enter the  
12 mental health and mental retardation or the alcohol and drug  
13 addiction counseling professions appears to be inadequate to  
14 meet the need for staff members in this Commonwealth.

15 (6) Demand from industry and other opportunities attract  
16 potential staff members away from these professions.

17 (7) Payment of a portion of student loans for mental  
18 health and mental retardation staff members or alcohol and  
19 drug addiction counselors serves the important public purpose  
20 of encouraging new staff members to pursue careers in this  
21 Commonwealth.

### 22 Section 3. Definitions.

23 The following words and phrases when used in this act shall  
24 have the meanings given to them in this section unless the  
25 context clearly indicates otherwise:

26 "Agency." The Pennsylvania Higher Education Assistance  
27 Agency.

28 "Counselor." A counselor assistant, counselor or clinical  
29 supervisor.

30 "Licensed alcohol and drug addiction treatment facility." An

1 alcohol or drug addiction treatment facility licensed by the  
2 Department of Health to provide addiction treatment services.

3 "Qualified alcohol and drug addiction loan forgiveness  
4 applicant." A person who meets all of the following criteria:

5 (1) Is a resident of this Commonwealth.

6 (2) Has successfully completed a two-year or four-year  
7 academic degree or diploma or graduate level academic degree  
8 or diploma at an accredited college or university.

9 (3) Has been hired as a full-time counselor by a  
10 licensed alcohol and drug addiction treatment facility.

11 (4) Has successfully completed the first six months of  
12 full-time employment as a counselor at a licensed alcohol and  
13 drug addiction treatment facility and remains in good  
14 standing with the facility.

15 (5) Has borrowed through and has a current outstanding  
16 balance with Guaranteed Stafford or Consolidation Loan  
17 Programs administered by the Pennsylvania Higher Education  
18 Assistance Agency.

19 "Qualified applicant." A qualified mental health and mental  
20 retardation loan forgiveness applicant or a qualified alcohol  
21 and drug addiction loan forgiveness applicant.

22 "Qualified mental health and mental retardation loan  
23 forgiveness applicant." A person who meets all of the following  
24 criteria:

25 (1) Is a resident of this Commonwealth.

26 (2) Has successfully completed a two-year or four-year  
27 academic degree or diploma or graduate level academic degree  
28 or diploma at an accredited college or university.

29 (3) Has been hired as a full-time staff member by a  
30 county mental health or mental retardation service agency

1 within this Commonwealth through a merit or civil service  
2 system approved by the Secretary of Public Welfare or by a  
3 private provider that is under contract with either a county  
4 to provide mental health or mental retardation services or  
5 the Department of Public Welfare to provide behavioral health  
6 rehabilitation services to individuals with developmental  
7 disabilities.

8 (4) Has successfully completed the first six months of  
9 full-time employment as a staff member at a county mental  
10 health or mental retardation service agency or a private  
11 provider under contract with either a county or the  
12 Department of Public Welfare and remains in good standing  
13 with the service agency or private provider.

14 (5) Performs staff duties at a county mental health or  
15 mental retardation service agency within this Commonwealth or  
16 at a private provider within this Commonwealth that is under  
17 contract with either a county to provide mental health or  
18 mental retardation services or the Department of Public  
19 Welfare to provide behavioral health rehabilitation services  
20 to individuals with developmental disabilities.

21 (6) Has borrowed through and has a current outstanding  
22 balance with the agency-administered Guaranteed Stafford or  
23 Consolidation Loan Programs administered by the Pennsylvania  
24 Higher Education Assistance Agency.

25 (7) AGREES TO WORK IN THE FIELD FOR NO LESS THAN FOUR  
26 YEARS. <—

27 "Staff member." A caseworker, direct support professional,  
28 therapist, program coordinator or director.

29 Section 4. Mental Health and Mental Retardation Staff Member  
30 Loan Forgiveness Program.

1 (a) Components.--Components shall be as follows:

2 (1) A qualified applicant who is selected for the Mental  
3 Health and Mental Retardation Staff Member Loan Forgiveness  
4 Program in accordance with this act shall be eligible for  
5 payment by the agency of a portion of the debt incurred by  
6 the applicant through the agency-administered Guaranteed  
7 Stafford or Consolidation Loan Programs for the education  
8 necessary to be a mental health or mental retardation staff  
9 member in this Commonwealth if the qualified applicant enters  
10 into a contract with the agency that requires the qualified  
11 recipient to remain employed as a full-time mental health or  
12 mental retardation staff member in this Commonwealth for a  
13 period of two consecutive years.

14 (2) The agency may forgive a proportional part of the  
15 applicant's loan so that the loan may be entirely forgiven  
16 over four years of full-time staff work. No more than \$5,000  
17 shall be forgiven in any year, and no more than \$20,000 shall  
18 be forgiven for any applicant.

19 (3) Payments shall be made in accordance with the  
20 procedures established by the agency.

21 (4) The contract entered into with the agency pursuant  
22 to paragraph (1) shall be considered a contract with the  
23 Commonwealth and shall include the following terms:

24 (i) The recipient shall agree to be employed by a  
25 county mental health or mental retardation service agency  
26 located within this Commonwealth or by a private provider  
27 of mental health or mental retardation services FOR A ←  
28 PERIOD OF NO LESS THAN FOUR YEARS IN THE FIELD.

29 (ii) The recipient shall permit the agency to  
30 determine compliance with the work requirement and all

1 other terms of the contract.

2 (iii) Upon the recipient's death or total or  
3 permanent disability, the agency shall nullify the  
4 service obligation of the recipient.

5 (iv) If the recipient is convicted of or pleads  
6 guilty or no contest to a felony, the agency shall have  
7 the authority to terminate the recipient's service in the  
8 program and demand repayment of the amount of the loan as  
9 of the date of the conviction.

10 (v) Loan recipients who fail to begin or complete  
11 the obligations contracted for shall pay to the agency  
12 the amount of the loan received under the terms of the  
13 contract pursuant to this section. Providing false  
14 information or misrepresentation on an application or  
15 verification of service shall be deemed a default.  
16 Determination as to the time of the default shall be made  
17 by the agency.

18 (b) Limitations.--A loan forgiveness award shall not be made  
19 for a loan that is in default at the time of the application.  
20 Loan forgiveness provided under the provisions of this act shall  
21 not be awarded to a recipient of another Commonwealth-provided  
22 loan forgiveness program concurrently.

23 Section 5. Alcohol and Drug Addiction Counselor Loan  
24 Forgiveness Program.

25 (a) Components.--Components shall be as follows:

26 (1) A qualified applicant who is selected for the  
27 Alcohol and Drug Addiction Counselor Loan Forgiveness Program  
28 in accordance with this act shall be eligible for payment by  
29 the agency of a portion of the debt incurred by the applicant  
30 through the agency-administered Guaranteed Stafford or

1 Consolidation Loan Programs for the education necessary to be  
2 an alcohol and drug addiction counselor in this Commonwealth  
3 if the qualified applicant enters into a contract with the  
4 agency that requires the qualified recipient to remain  
5 employed as a full-time alcohol and drug addiction counselor  
6 in this Commonwealth for a period of two consecutive years.

7 (2) The agency may forgive a proportional part of the  
8 applicant's loan so that the loan may be entirely forgiven  
9 over four years of full-time staff work. No more than \$5,000  
10 shall be forgiven in any year, and no more than \$20,000 shall  
11 be forgiven for any applicant.

12 (3) Payments shall be made in accordance with the  
13 procedures established by the agency.

14 (4) The contract entered into with the agency pursuant  
15 to paragraph (1) shall be considered a contract with the  
16 Commonwealth and shall include the following terms:

17 (i) The recipient shall agree to be employed by a  
18 licensed alcohol and drug addiction treatment facility  
19 located within this Commonwealth FOR A PERIOD OF NO LESS <—  
20 THAN FOUR YEARS IN THE FIELD.

21 (ii) The recipient shall permit the agency to  
22 determine compliance with the work requirement and all  
23 other terms of the contract.

24 (iii) Upon the recipient's death or total or  
25 permanent disability, the agency shall nullify the  
26 service obligation of the recipient.

27 (iv) If the recipient is convicted of or pleads  
28 guilty or no contest to a felony, the agency shall have  
29 the authority to terminate the recipient's service in the  
30 program and demand repayment of the amount of the loan as

1 of the date of the conviction.

2 (v) Loan recipients who fail to begin or complete  
3 the obligations contracted for shall pay to the agency  
4 the amount of the loan received under the terms of the  
5 contract pursuant to this section. Providing false  
6 information or misrepresentation on an application or  
7 verification of service shall be deemed a default.  
8 Determination as to the time of the default shall be made  
9 by the agency.

10 (b) Limitation.--A loan forgiveness award under this act  
11 shall not be made for a loan that is in default at the time of  
12 the application. Loan forgiveness provided under the provisions  
13 of this act shall not be concurrently awarded to a recipient of  
14 another Commonwealth-provided loan forgiveness program.

15 Section 6. Tax applicability.

16 Loan forgiveness repayments by a student shall not be  
17 considered taxable income for purposes of Article II of the act  
18 of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of  
19 1971.

20 Section 7. Annual report.

21 (a) Development of report.--The agency shall publish a  
22 report by October 1, 2007, and every year thereafter for the  
23 immediately preceding fiscal year. The report shall include  
24 information regarding the operation of the program, including:

25 (1) The number and amount of mental health and mental  
26 retardation staff member and alcohol and drug addiction  
27 counselor contracts executed and renewed for mental health  
28 and mental retardation staff member loan forgiveness  
29 applicants and alcohol and drug addiction counselor loan  
30 forgiveness applicants.

1 (2) The number of defaulted mental health and mental  
2 retardation staff member and alcohol and drug addiction  
3 counselor contracts, reported by cause.

4 (3) The number of full-time staff employees of mental  
5 health and mental retardation service agencies, the number of  
6 full-time staff employees of private providers and the number  
7 of full-time staff employees of licensed alcohol and drug  
8 addiction facilities participating in the program, reported  
9 by type of institution attended, including four-year  
10 educational institutions, community colleges and independent  
11 two-year colleges.

12 (4) The number and type of enforcement actions taken by  
13 the agency.

14 (b) Submission.--The annual report shall be submitted to the  
15 Governor, the chair and minority chair of the Appropriations  
16 Committee of the Senate, the chair and minority chair of the  
17 Appropriations Committee of the House of Representatives, the  
18 chair and minority chair of the Education Committee of the  
19 Senate, the chair and minority chair of the Education Committee  
20 of the House of Representatives, the chair and minority chair of  
21 the Public Health and Welfare Committee of the Senate and the  
22 chair and minority chair of the Health and Human Services  
23 Committee of the House of Representatives.

24 Section 8. Appeals.

25 The provision of this act shall be subject to 22 Pa. Code Ch.  
26 121 (relating to student financial aid).

27 Section 9. Loan forgiveness awards.

28 Recipients of loan forgiveness awards under this act shall be  
29 those mental health and mental retardation staff members or  
30 alcohol and drug addiction counselors who are working in and who

1 have received a satisfactory rating from either a county office  
2 of mental health or mental retardation service within this  
3 Commonwealth, a private provider within this Commonwealth under  
4 contract with a county or the Department of Public Welfare or a  
5 licensed alcohol and drug addiction treatment facility. Mental  
6 health or mental retardation staff members or alcohol and drug  
7 addiction counselors shall be required to submit such  
8 documentation of eligibility as the agency may require including  
9 documentation to indicate full-time employment, as full-time  
10 employment is defined by a county office, a private provider or  
11 a licensed alcohol or drug addiction treatment facility. The  
12 documentation shall be presented to the agency in the form of a  
13 letter from the applicant's employer stating that the applicant  
14 is employed by the mental health or mental retardation service  
15 provider or a licensed alcohol and drug addiction facility and  
16 that the applicant performs the applicant's duties in a  
17 satisfactory manner.

18 Section 10. Funding.

19 Loan forgiveness awards under this act may be made to the  
20 extent that funds are appropriated by the General Assembly and  
21 are sufficient to cover the administration of the program. In  
22 the event that funding is insufficient to fully fund  
23 administration and all eligible applicants, priority shall be  
24 given to renewal applicants. Thereafter, the agency shall  
25 utilize a random lottery system for determining which applicants  
26 receive loan forgiveness awards.

27 Section 11. Responsibility of agency.

28 The agency shall administer the Mental Health and Mental  
29 Retardation Staff Member and Alcohol and Drug Addiction  
30 Counselor Loan Forgiveness Programs established by this act and

1 shall adopt such regulations, policies, procedures and forms as  
2 are necessary and not inconsistent with the provisions of this  
3 act.

4 Section 12. Effective date.

5 This act shall take effect in 60 days.