

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1381 Session of  
2007

INTRODUCED BY SIPTROTH, BELFANTI, BISHOP, CALTAGIRONE, CARROLL,  
CAUSER, COHEN, CURRY, DeLUCA, FABRIZIO, FREEMAN, GEORGE,  
GIBBONS, GRUCELA, HARHAI, HENNESSEY, HUTCHINSON, JAMES,  
JOSEPHS, W. KELLER, KILLION, KORTZ, KOTIK, LEACH, MAHONEY,  
MANDERINO, MANN, McILHATTAN, MOYER, MUNDY, MURT, MYERS,  
PEIFER, PETRONE, PRESTON, READSHAW, REICHLEY, SANTONI,  
SCAVELLO, K. SMITH, SOLOBAY, WANSACZ, J. WHITE AND  
YOUNGBLOOD, MAY 29, 2007

REFERRED TO COMMITTEE ON EDUCATION, MAY 29, 2007

AN ACT

1 Establishing the Child Welfare Workers Loan Forgiveness Program  
2 for Commonwealth residents who graduate from institutions of  
3 higher education and who apply their degrees to careers in  
4 child welfare work.

5 The General Assembly of the Commonwealth of Pennsylvania  
6 hereby enacts as follows:

7 Section 1. Short title.

8 This act shall be known and may be cited as the Child Welfare  
9 Workers Loan Forgiveness Act.

10 Section 2. Declaration of purpose.

11 The primary purpose of a child welfare loan forgiveness  
12 program is to attract capable and promising students to the  
13 child welfare profession and to increase employment and  
14 retention of individuals who are working towards or who have  
15 received either a bachelor's degree or a master's degree in  
16 social work, psychology or sociology.

1 Section 3. Definitions.

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

5 "Certified child welfare employer." An agency certified by  
6 the Pennsylvania Higher Education Assistance Agency as employing  
7 child welfare workers as provided for under section 4(c).

8 "Child welfare worker." A staff person who holds a  
9 bachelor's, master's or doctorate degree in the field of social  
10 work, psychology or sociology and is employed by a public or  
11 private agency serving dependent children or those children who  
12 have been referred for child welfare services and who works in  
13 any of the following functional areas: family preservation,  
14 family support, children's protective services, including on-  
15 call, investigative assessment and case planning and case  
16 management, and foster care and adoption, including placement of  
17 children, recruitment of families, licensing and adoption  
18 assessment.

19 "PHEAA." The Pennsylvania Higher Education Assistance  
20 Agency.

21 "Program." The Child Welfare Workers Loan Forgiveness  
22 Program established under section 4.

23 "Qualified applicant." A person who meets all of the  
24 following criteria:

25 (1) Is a resident of this Commonwealth.

26 (2) Has successfully completed a bachelor's, master's or  
27 doctorate degree in the field of social work, psychology or  
28 sociology at an accredited institution of higher education.

29 (3) Has been hired as a full-time employee of a  
30 certified child welfare employer.

(4) Has borrowed through and has a current outstanding balance on a Federal Stafford, Graduate PLUS or Consolidation Loan Programs administered by the Pennsylvania Higher Education Assistance Agency.

Section 4. Child Welfare Workers Loan Forgiveness Program.

(a) Establishment.--The Child Welfare Workers Loan Forgiveness Program is hereby established. PHEAA shall administer the program.

(b) Nature of program.--For each year that a qualified applicant is employed by a certified child welfare employer, PHEAA may forgive a proportional part of the applicant's student loan so that the loan may be partially or entirely forgiven.

(c) Employer eligibility.--Eligible certified child welfare employers for purposes of the program shall include county children and youth agencies charged with enforcing 23 Pa.C.S. Ch. 63 (relating to child protective services) and private providers who serve youth who have been adjudicated dependent or delinquent and other entities as determined by PHEAA.

(d) Limitations.--

(1) For qualified applicants with an undergraduate degree, no more than \$2,500 shall be forgiven in any one year, and no more than \$10,000 shall be forgiven for any one qualified applicant.

(2) For qualified applicants with both an undergraduate degree and either a master's or doctorate degree, no more than \$5,000 shall be forgiven in any one year, and no more than \$20,000 shall be forgiven for any one qualified applicant.

(3) PHEAA shall establish procedures for making payments to qualified applicants.

1           (4) No qualified applicant may receive a larger amount  
2       of forgiveness than the outstanding balance the applicant has  
3       with the Guaranteed Stafford or Consolidation Loan Programs  
4       administered by PHEAA.

5       (e) Eligibility.--A qualified applicant shall be eligible  
6       for loan forgiveness regardless of whether the applicant's  
7       outstanding loan balance is acquired before or after the date of  
8       the effective date of this section and no loan forgiveness shall  
9       be given for years of service before the date of this section.

10   Section 5. Qualifications for loan forgiveness awards.

11       (a) Application.--PHEAA shall establish procedures for  
12       qualified applicants to apply and be approved for participation  
13       in the program.

14       (b) Employment.--Recipients of loan forgiveness awards must  
15       be full-time employees of a certified child welfare employer who  
16       maintain satisfactory employment with the organization and agree  
17       to continue employment with a certified child welfare employer  
18       for a least three years after the end of their participation in  
19       the program.

20       (c) Documentation.--PHEAA may require qualified applicants  
21       who are participating in the program to submit documentation in  
22       order to maintain continued eligibility for the program.

23   Section 6. Funding.

24       Loan forgiveness awards under this act may be made to the  
25       extent that funds are appropriated by the General Assembly or  
26       available from other sources and are sufficient to cover the  
27       administration of the program. In the event that funding is  
28       insufficient to fully fund administration and all eligible  
29       applicants, priority shall be given to renewal applicants.

30   Thereafter, PHEAA shall utilize a random lottery system for

1 determining which applicants receive loan forgiveness awards.

2 Section 7. Tax applicability.

3 Loan forgiveness repayments shall not be considered taxable  
4 income for purposes of Article III of the act of March 4, 1971  
5 (P.L.6, No.2), known as the Tax Reform Code of 1971.

6 Section 8. Annual report.

7 (a) Development of report.--PHEAA shall publish a report by  
8 October 1, 2008, and every year thereafter for the immediately  
9 preceding fiscal year. The report shall provide information  
10 regarding the operation of the program, including:

11 (1) The number and amount of child welfare worker loan  
12 forgiveness grants issued and renewed for qualified  
13 applicants.

14 (2) The number and type of enforcement actions taken by  
15 the agency.

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

26 Section 9. Responsibility of PHEAA.

27 PHEAA shall administer the program and shall adopt such  
28 regulations, policies, procedures and forms as are necessary and  
29 not inconsistent with the provisions of this act.

30 Section 10. Effective date.

1        This act shall take effect in 60 days.