

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1332

Session of
1999

INTRODUCED BY BISHOP, ROONEY, BELFANTI, TRELLO, DeWEESE,
WILLIAMS, PESCI, READSHAW, LAUGHLIN, CAPPABIANCA, M. COHEN,
CURRY, ROEBUCK, SOLOBAY, JOSEPHS, JAMES AND WATERS,
APRIL 20, 1999

AS REPORTED FROM COMMITTEE ON EDUCATION, HOUSE OF
REPRESENTATIVES, AS AMENDED, MAY 17, 2000

AN ACT

1 Providing limited student loan forgiveness for qualifying
2 education professionals.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Education
7 Professional Loan Forgiveness Act.

8 Section 2. Definitions.

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

12 "Agency." The Pennsylvania Higher Education Assistance
13 Agency.

14 ~~"Program." The Education Professional Loan Forgiveness~~
15 ~~Program.~~

16 "Qualified applicant." A person who meets the following

1 criteria:

2 ~~(1) Is employed as a full time permanent professional~~ <—
3 ~~educator.~~

4 ~~(2) Has borrowed through Pennsylvania Higher Education~~
5 ~~Assistance Agency administered Guaranteed Student Loan~~
6 ~~Programs.~~

7 (1) IS CERTIFIED BY THE DEPARTMENT OF EDUCATION TO TEACH <—
8 AND IS EMPLOYED IN A FULL-TIME PERMANENT TEACHING POSITION.

9 ~~(3)~~ (2) Is a resident of this Commonwealth. <—

10 ~~(4)~~ (3) Executes a sworn affidavit, under penalty of <—
11 perjury, that he does not have a delinquent payment owing to
12 any Commonwealth agency.

13 ~~(5) Was hired by the school district on or after the~~ <—
14 ~~effective date of this act.~~

15 (4) WAS HIRED BY THE SCHOOL DISTRICT FOR EMPLOYMENT FOR <—
16 THE SCHOOL YEARS SUBSEQUENT TO THE EFFECTIVE DATE OF THIS
17 ACT.

18 "School district." A school district of the first class in
19 this Commonwealth OR ANY SCHOOL DISTRICT CERTIFIED BY THE <—
20 DEPARTMENT OF EDUCATION AS AN EDUCATION EMPOWERMENT DISTRICT
21 UNDER ARTICLE XVII-B OF THE ACT OF MARCH 10, 1949 (P.L.30,
22 NO.14), KNOWN AS THE PUBLIC SCHOOL CODE OF 1949.

23 Section 3. Education Professional Loan Forgiveness Program.

24 Qualified applicants shall be eligible for payments by the
25 agency of a portion of the debt incurred by the applicant
26 through the agency-administered Guaranteed Student Loan Programs
27 for the education necessary to successfully complete a specified
28 bachelor's degree. For each ~~calendar~~ SCHOOL year that the <—
29 applicant is a full-time permanent professional ~~educator~~ TEACHER <—
30 in the school district, the agency may forgive \$2,500 of the

1 applicant's loan up to a lifetime maximum of \$10,000 per
2 ~~educator~~ TEACHER. Payments shall be made in accordance with the <—
3 procedures established by the agency. A loan forgiveness award
4 shall not be made for a loan that is in default at the time of
5 the application.

6 SECTION 4. FUNDING. <—

7 LOAN FORGIVENESS AWARDS MAY BE MADE TO THE EXTENT THAT FUNDS
8 ARE APPROPRIATED BY THE GENERAL ASSEMBLY.

9 SECTION 5. EDUCATIONAL EMPOWERMENT LOAN FORGIVENESS PROGRAM.

10 QUALIFIED APPLICANTS IN AN EDUCATIONAL EMPOWERMENT DISTRICT
11 SHALL BE ELIGIBLE FOR PAYMENTS BY THE AGENCY OF A PORTION OF THE
12 DEBT INCURRED BY THE APPLICANT THROUGH THE AGENCY-ADMINISTERED
13 GUARANTEED STUDENT LOAN PROGRAMS FOR THE EDUCATION NECESSARY TO
14 SUCCESSFULLY COMPLETE A SPECIFIC BACHELOR'S DEGREE. ELIGIBILITY
15 IN THE EDUCATIONAL EMPOWERMENT DISTRICT SHALL BEGIN WITH THE
16 ESTABLISHMENT OF THE BOARD OF CONTROL UNDER SECTION 1705-B(A) OF
17 THE ACT OF MARCH 10, 1949 (P.L.30, NO.14), KNOWN AS THE PUBLIC
18 SCHOOL CODE OF 1949, AND SHALL CONTINUE UNTIL THE DEPARTMENT OF
19 EDUCATION REMOVES THE CERTIFICATION OF THE SCHOOL DISTRICT AS AN
20 EDUCATIONAL EMPOWERMENT DISTRICT IN ACCORDANCE WITH SECTION
21 1710-B OF THE PUBLIC SCHOOL CODE OF 1949. FOR EACH SCHOOL YEAR
22 THAT THE APPLICANT IS A FULL-TIME PERMANENT TEACHER IN THE
23 SCHOOL DISTRICT AND DURING WHICH THE DISTRICT IS OPERATED BY THE
24 BOARD OF CONTROL AS AN EDUCATIONAL EMPOWERMENT DISTRICT, THE
25 AGENCY SHALL FORGIVE \$2,500 OF THE APPLICANT'S LOAN UP TO A
26 LIFETIME MAXIMUM OF \$10,000 PER TEACHER. PAYMENTS SHALL BE MADE
27 IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED BY THE AGENCY. A
28 LOAN FORGIVENESS AWARD SHALL NOT BE MADE FOR A LOAN THAT IS IN
29 DEFAULT AT THE TIME OF APPLICATION.

30 Section 4 6. Responsibility of agency. <—

1 The agency shall administer the ~~program~~ PROGRAMS established <—
2 under this act and promulgate the necessary rules and
3 regulations to carry out the provisions of this act.
4 Section ~~5~~ 7. Effective date. <—
5 This act shall take effect July 1, ~~1999~~ 2000, OR IMMEDIATELY, <—
6 WHICHEVER OCCURS LATER.