
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 134 Session of
2017

INTRODUCED BY SCAVELLO, VULAKOVICH, YUDICHAK, COSTA, LANGERHOLC
AND RAFFERTY, JANUARY 20, 2017

REFERRED TO EDUCATION, JANUARY 20, 2017

AN ACT

1 Providing for Commonwealth support for a Mental Health and
2 Intellectual Disability Staff Member Loan Forgiveness Program
3 and an Alcohol and Drug Addiction Counselor Loan Forgiveness
4 Program.

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 Mental Health
9 and Intellectual Disability Staff Member Program and Alcohol and
10 Drug Addiction Counselor Loan Forgiveness Program Act.

11 Section 2. Findings and declaration of purpose.

12 The General Assembly finds and declares that:

13 (1) Community-based mental health, intellectual
14 disability and alcohol and drug addiction treatment services
15 offer lifelong supports and opportunities for a meaningful
16 quality of life, in fulfillment of Federal and State laws.

17 (2) Treatment of alcohol and other drug addiction is a
18 crucial investment in health care, in the stability of
19 families and in protecting the public safety.

1 (3) A qualified and stable work force is the key to
2 quality community mental health and intellectual disability
3 services and to quality alcohol and drug addiction counseling
4 services.

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

6 (5) The number of college students planning to enter the
7 mental health and intellectual disability profession or the
8 alcohol and drug addiction counseling profession appears to
9 be inadequate to meet the need for staff members in this
10 Commonwealth.

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

13 (7) Payment of a portion of student loans for mental
14 health and intellectual disability staff members or alcohol
15 and drug addiction counselors serves the important public
16 purpose of encouraging new staff members to pursue careers in
17 this Commonwealth.

18 Section 3. Definitions.

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

22 "Agency." The Pennsylvania Higher Education Assistance
23 Agency.

24 "Counselor." A counselor assistant, counselor or clinical
25 supervisor.

26 "Licensed alcohol and drug addiction treatment facility." An
27 alcohol or drug addiction treatment facility licensed by the
28 Department of Drug and Alcohol Programs to provide addiction
29 treatment services.

30 "Qualified alcohol and drug addiction loan forgiveness

applicant." A person who meets the following criteria:

(1) Is a resident of this Commonwealth.

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

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

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

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

"Qualified applicant." A qualified mental health and intellectual disability loan forgiveness applicant or a qualified alcohol and drug addiction loan forgiveness applicant.

"Qualified mental health and intellectual disability loan forgiveness applicant." A person who meets all of the following criteria:

(1) Is a resident of this Commonwealth.

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

(3) Has been hired as a full-time staff member by a county mental health or intellectual disability service agency within this Commonwealth through a merit or civil service system approved by the Secretary of Human Services or by a private provider that is under contract with either a

1 county to provide mental health or intellectual disability
2 services or the Department of Human Services to provide
3 behavioral health rehabilitation services to individuals with
4 developmental disabilities.

5 (4) Has successfully completed the first six months of
6 full-time employment as a staff member at a county mental
7 health or intellectual disability service agency or a private
8 provider under contract with either a county or the
9 Department of Human Services and remains in good standing
10 with the service agency or private provider.

11 (5) Performs staff duties at a county mental health or
12 intellectual disability service agency within this
13 Commonwealth or at a private provider within this
14 Commonwealth that is under contract with either a county to
15 provide mental health or intellectual disability services or
16 the Department of Human Services to provide behavioral health
17 rehabilitation services to individuals with developmental
18 disabilities.

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

23 (7) Agrees to work in the field for not less than four
24 years.

25 "Staff member." A caseworker, direct support professional,
26 therapist, program coordinator or director.

27 Section 4. Mental Health and Intellectual Disability Staff
28 Member Loan Forgiveness Program.

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

30 (1) A qualified applicant who is selected for the Mental

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

13 (2) The agency may forgive a proportional part of the
14 applicant's loan so that the loan may be entirely forgiven
15 over four years of full-time staff work. No more than \$5,000
16 shall be forgiven in any year, and not more than \$20,000
17 shall be forgiven for any applicant.

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

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

23 (i) The recipient shall agree to be employed by a
24 county mental health or intellectual disability service
25 agency located within this Commonwealth or by a private
26 provider of mental health or intellectual disability
27 services for a period of not less than four years in the
28 field.

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

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 under this section. Providing false information
14 or misrepresentation on an application or verification of
15 service shall be deemed a default. Determination as to
16 the time of the default shall be made by the agency.

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

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

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

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

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

6 (2) The agency may forgive a proportional part of the
7 applicant's loan so that the loan may be entirely forgiven
8 over four years of full-time staff work. No more than \$5,000
9 shall be forgiven in any year, and not more than \$20,000
10 shall be forgiven for any applicant.

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

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

16 (i) The recipient shall agree to be employed by a
17 licensed alcohol and drug addiction treatment facility
18 located within this Commonwealth for a period of not less
19 than four years in the field.

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

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

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

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

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

13 Section 6. Tax applicability.

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

18 Section 7. Annual report.

19 (a) Development of report.--The agency shall publish a
20 report by October 1, 2018, and every year thereafter for the
21 immediately preceding fiscal year. The report shall include
22 information regarding the operation of the program, including:

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

29 (2) The number of defaulted mental health and
30 intellectual disability staff member and alcohol and drug

addiction counselor contracts, reported by cause.

(3) The number of full-time staff employees of mental health and intellectual disability service agencies, the number of full-time staff employees of private providers and the number of full-time staff employees of licensed alcohol and drug addiction facilities participating in the program, reported by type of institution attended, including four-year educational institutions, community colleges and independent two-year colleges.

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

(b) Submission.--The annual report shall be submitted to the Governor, the chair and minority chair of the Appropriations Committee of the Senate, the chair and minority chair of the Education Committee of the Senate, the chair and minority chair of the Public Health and Welfare Committee of the Senate, the chair and minority chair of the Appropriations Committee of the House of Representatives, the chair and minority chair of the Education Committee of the House of Representatives and the chair and minority chair of the Human Services Committee of the House of Representatives.

Section 8. Appeals.

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

Section 9. Loan forgiveness awards.

Recipients of loan forgiveness awards under this act shall be those mental health and intellectual disability staff members or alcohol and drug addiction counselors who are working in and who have received a satisfactory rating from either a county office of mental health or intellectual disability service within this

Commonwealth, a private provider within this Commonwealth under contract with a county or the Department of Human Services or a licensed alcohol and drug addiction treatment facility. Mental health or intellectual disability staff members or alcohol and drug addiction counselors shall submit such documentation of eligibility as the agency may require including documentation to indicate full-time employment, as full-time employment is defined by a county office, a private provider or a licensed alcohol or drug addiction treatment facility. The documentation shall be presented to the agency in the form of a letter from the applicant's employer stating that the applicant is employed by the mental health or intellectual disability service provider or a licensed alcohol and drug addiction treatment facility and that the applicant performs the applicant's duties in a satisfactory manner.

Section 10. Funding.

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

Section 11. Responsibility of agency.

The agency shall administer programs established by this act and shall adopt regulations, policies, procedures and forms as are necessary and consistent with the provisions of this act.

Section 12. Effective date.

This act shall take effect in 60 days.