

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 and Alcohol and Drug  
10 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 our health care, in the stability of

1 our families and in protecting the public safety.

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

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

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

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

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

19 Section 3. Definitions.

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

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

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

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

30 "Qualified alcohol and drug addiction loan forgiveness

1 applicant." A person who meets all of the following criteria:

2 (1) Is a resident of this Commonwealth.

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

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

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

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

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

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

22 (1) Is a resident of this Commonwealth.

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

26 (3) Has been hired as a full-time staff member by a  
27 county mental health or intellectual disability service  
28 agency within this Commonwealth through a merit or civil  
29 service system approved by the Secretary of Public Welfare or  
30 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 Public Welfare 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 Public Welfare 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 Public Welfare 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 pursuant  
21 to 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 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 not more than \$20,000  
11 shall 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 not 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, 2014, 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  
26 intellectual disability staff member and alcohol and drug  
27 addiction counselor contracts executed and renewed for mental  
28 health and intellectual disability staff member loan  
29 forgiveness applicants and alcohol and drug addiction  
30 counselor loan forgiveness applicants.



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

4           (3) The number of full-time staff employees of mental  
5 health and intellectual disability service agencies, the  
6 number of full-time staff employees of private providers and  
7 the number of full-time staff employees of licensed alcohol  
8 and drug addiction facilities participating in the program,  
9 reported 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 Human Services Committee of the  
23 House of Representatives.

24 Section 8. Appeals.

25       The provisions of this act shall be subject to 22 Pa. Code  
26 Ch. 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 intellectual disability 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 intellectual disability 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 intellectual disability staff members or alcohol and  
7 drug 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 intellectual disability  
15 service provider or a licensed alcohol and drug addiction  
16 facility and that the applicant performs the applicant's duties  
17 in a 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  
29 Intellectual Disability Staff Member and Alcohol and Drug  
30 Addiction Counselor Loan Forgiveness Program established by this

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

4 Section 12. Effective date.

5 This act shall take effect in 60 days.