

EARLY CHILDHOOD EDUCATION PROFESSIONAL LOAN FORGIVENESS ACT

Act of Dec. 17, 1993, P.L. 487, No. 73

CL. 24

AN ACT

Providing the Early Childhood Education Professional Loan Forgiveness Program for Pennsylvania residents who graduate from institutions of higher education and who apply their educational training to positions in approved child-care facilities in this Commonwealth.

The General Assembly finds and declares as follows:

(1) Parents who work need to depend on daily child-care services which provide a safe, healthy and educationally sound program for their children.

(2) There is a growing crisis in child care due to an increasing shortage of child-care professionals which is a result of low wages and poor benefits.

(3) Child caregiver turnover is currently approximately 33% for child day-care centers in this Commonwealth.

(4) Child-care teachers earn one-third of the salary of comparably educated public school teachers.

(5) Two-thirds of the child-care teachers in this Commonwealth hold four-year degrees but make less than the average United States worker who never graduated from high school.

(6) Research has shown that young children in group settings thrive emotionally, socially, physically and intellectually when they have an adequate number of adults specifically trained in child development and early childhood education with whom to interact.

(7) With current salaries at approximately \$11,200 annually for child-care teachers, many of those individuals with the same educational credentials as public school teachers have chosen to abandon careers in child care for teaching jobs which guarantee a minimum annual salary of \$18,500 plus benefits.

(8) Payment of a portion of student loans for child-care professionals establishes a commitment by the Commonwealth to encourage individuals trained in child development and early childhood education to apply that training in the growing field of child care.

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

Section 1. Short title.

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

Section 2. Definitions.

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

"Agency." The Pennsylvania Higher Education Assistance Agency.

"Approved child-care facility." A child day-care center or group day-care home located in this Commonwealth which is subject to and in compliance with regulations issued by the Department of Public Welfare.

"Program." The Early Childhood Education Professional Loan Forgiveness Program.

"Qualified applicant." A person who meets the following criteria:

(1) Has successfully completed an undergraduate program at an accredited college or university.

(2) Has a bachelor's degree and has obtained Pennsylvania State Early Childhood Education Certification (nursery through third grade) or an associate's degree in early childhood education or child development.

(3) Has borrowed through the agency-administered Guaranteed Student Loan Programs.

(4) Is a resident of this Commonwealth.

(5) Executes a sworn affidavit, under penalty of perjury, that he does not have a delinquent payment owing to any Commonwealth agency.

(6) Receives a salary of less than \$18,500.

Compiler's Note: The Department of Public Welfare, referred to in this section, was redesignated as the Department of Human Services by Act 132 of 2014.

Section 3. Early Childhood Education Professional Loan Forgiveness Program.

Qualified applicants who are selected for the program in accordance with this act shall be eligible for payment by the agency of a portion of the debt incurred by the applicant through the agency-administered Guaranteed Student Loan Programs for the education necessary to successfully complete the specified bachelor's degree or associate's degree programs. For each calendar year that the applicant is a full-time professional in an approved Commonwealth child-care facility, the agency may forgive a proportional part of the applicant's loan so that the loan may be entirely forgiven over four years of full-time employment in an approved child-care facility. For a graduate with a bachelor's or associate's degree in the specified areas, no more than \$2,500 shall be forgiven in any year, and no more than \$10,000 shall be forgiven for any applicant. Payments shall be made in accordance with the procedures established by the agency. A loan forgiveness award shall not be made for a loan that is in default at the time of the application.

Section 4. Loan forgiveness awards.

Recipients of the loan forgiveness awards shall be those child-care professionals who are working in approved child-care facilities in this Commonwealth. Each child-care professional shall be required to submit such documentation of eligibility as the agency may require.

Section 5. Funding.

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

Section 6. Responsibility of agency.

It shall be the responsibility of the agency to administer the program established by this act and to promulgate the necessary rules and regulations.

Section 7. Effective date.

This act shall take effect January 1, 1994.