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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 710 Session of  
2017

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INTRODUCED BY MURT, V. BROWN, CALTAGIRONE, DeLUCA, DRISCOLL,  
KINSEY, MADDEN, ROZZI AND SCHLOSSBERG, MARCH 3, 2017

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REFERRED TO COMMITTEE ON HUMAN SERVICES, MARCH 3, 2017

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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  
19 our 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 "Alcohol and drug addiction counselor loan forgiveness  
25 applicant." A person who meets all of the following criteria:

26 (1) Is a resident of this Commonwealth.

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

30 (3) Has been hired as a full-time counselor by a

1 licensed alcohol and drug addiction treatment facility.

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

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

10 "Counselor." A counselor assistant, counselor or clinical  
11 supervisor.

12 "Licensed alcohol and drug addiction treatment facility." An  
13 alcohol or drug addiction treatment facility licensed by the  
14 Department of Health to provide addiction treatment services.

15 "Mental health and intellectual disability staff member loan  
16 forgiveness applicant." A person who meets all of the following  
17 criteria:

18 (1) Is a resident of this Commonwealth.

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

22 (3) Has been hired as a full-time staff member by a  
23 county mental health or intellectual disability service  
24 agency within this Commonwealth through a merit or civil  
25 service system approved by the Secretary of Human Services or  
26 by a private provider that is under contract with either a  
27 county to provide mental health or intellectual disability  
28 services or the Department of Human Services to provide  
29 behavioral health rehabilitation services to individuals with  
30 developmental disabilities.

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

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

15 (6) Has borrowed through and has a current outstanding  
16 balance with the agency-administered Guaranteed Stafford or  
17 Consolidation Loan Programs administered by the Pennsylvania  
18 Higher Education Assistance Agency.

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

21 "Qualified applicant." A qualified mental health and  
22 intellectual disability staff member loan forgiveness applicant  
23 or a qualified alcohol and drug addiction counselor loan  
24 forgiveness applicant.

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 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 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, 2017, 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



1 addiction counselor contracts, reported by cause.

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

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

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

22 Section 8. Appeals.

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

25 Section 9. Loan forgiveness awards.

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

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

16 Section 10. Funding.

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

25 Section 11. Responsibility of agency.

26 The agency shall administer the Mental Health and  
27 Intellectual Disability Staff Member and Alcohol and Drug  
28 Addiction Counselor Loan Forgiveness Program established by this  
29 act and shall adopt such regulations, policies, procedures and  
30 forms as are necessary and not inconsistent with the provisions

1 of this act.

2 Section 12. Effective date.

3 This act shall take effect in 60 days.