
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2516 Session of
2020

INTRODUCED BY GREEN, SHUSTERMAN, KINSEY, SCHLOSSBERG,
YOUNGBLOOD, HANBIDGE, A. DAVIS, ULLMAN, KOSIEROWSKI, BRIGGS,
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WILLIAMS, DONATUCCI, SANCHEZ, PASHINSKI, HILL-EVANS,
READSHAW, SCHWEYER, DeLUCA, ISAACSON, FRANKEL, LEE, O'MARA,
GAINEY, CIRESI, MADDEN, MERSKI AND KENYATTA, MAY 13, 2020

REFERRED TO COMMITTEE ON EDUCATION, MAY 13, 2020

AN ACT

1 Establishing the Nurse and Health Care Worker Loan Forgiveness
2 Program and providing for the powers and duties of the
3 Pennsylvania Higher Education Assistance Agency.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Nurse and
8 Health Care Worker Loan Forgiveness Program Act.

9 Section 2. Definitions.

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

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

15 "Program." The Nurse and Health Care Worker Loan Forgiveness
16 Program established under section 3.

1 "Qualified applicant." An individual who meets all of the
2 criteria under section 3(b)(1) and one of the criteria under
3 section 3(b)(2).

4 "Qualified health care facility." Any of the following
5 facilities:

- 6 (1) Assisted living facilities.
- 7 (2) Personal care homes.
- 8 (3) Long-term care nursing facilities.
- 9 (4) Home care agencies.
- 10 (5) Home health agencies.
- 11 (6) Hospice agencies.
- 12 (7) Hospitals.

13 "Recipient." A qualified applicant who is selected for the
14 program and who enters into a contract with the Commonwealth
15 under the program.

16 Section 3. Nurse and Health Care Worker Loan Forgiveness
17 Program.

18 (a) Establishment.--The Nurse and Health Care Worker Loan
19 Forgiveness Program is established within the agency.

20 (b) Qualifications.--The following shall apply:

21 (1) To qualify for the program, an applicant must meet
22 all of the following criteria:

23 (i) Be a resident of this Commonwealth.

24 (ii) Have successfully completed a two-year or four-
25 year academic degree or diploma or graduate level
26 academic degree or diploma at an accredited college or
27 university.

28 (iii) Have been hired as a full-time employee of a
29 qualified health care facility in this Commonwealth.

30 (iv) Have successfully completed the first six

1 months of full-time employment as an employee of a
2 qualified health care facility in this Commonwealth.

3 (v) Have borrowed through and has a current
4 outstanding balance with guaranteed Stafford or
5 consolidation loan programs administered by the agency.

6 (2) An applicant must also meet one of the following
7 criteria:

8 (i) Be employed as a certified nurse assistant,
9 licensed practical nurse, direct care staffer, personal
10 care home administrator or assisted living residence
11 administrator.

12 (ii) Be employed as a registered nurse.

13 (iii) Be employed as a certified registered nurse
14 practitioner or clinical nurse specialist.

15 (c) Components.--The following shall apply:

16 (1) A qualified applicant who is selected for the
17 program in accordance with this act shall be eligible for
18 payment by the agency of a portion of the debt incurred by
19 the qualified applicant through the agency-administered
20 guaranteed Stafford or consolidation loan programs if the
21 recipient enters into a contract with the agency that
22 requires the recipient to remain employed at a qualified
23 health care facility in this Commonwealth for two years for
24 an applicant who qualifies under subsection (b)(2)(i) or for
25 four years for an applicant who qualifies under subsection
26 (b)(2)(ii) or (iii).

27 (2) The agency may forgive a proportional part of the
28 recipient's loan so that the loan may be forgiven as follows:

29 (i) Not more than \$5,000 shall be forgiven in any
30 year and not more than \$10,000 shall be forgiven for any

1 applicant who qualifies under subsection (b) (2) (i).

2 (ii) Not more than \$10,000 shall be forgiven in any
3 year and not more than \$40,000 shall be forgiven for any
4 applicant who qualifies under subsection (b) (2) (ii).

5 (iii) Not more than \$15,000 shall be forgiven in any
6 year and not more than \$60,000 shall be forgiven for any
7 applicant who qualifies under subsection (b) (2) (iii).

8 (3) An applicant may only receive loan forgiveness under
9 paragraph (2).

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

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

15 (i) The recipient shall agree to be employed at a
16 qualified health facility for a period of no less than
17 two years for recipients qualifying under subsection (b)
18 (2) (i) and for no less than four years for recipients
19 qualifying under subsection (b) (2) (ii) or (iii).

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 and
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) A recipient who fails to begin or complete the
2 obligations contracted for shall pay to the agency the
3 amount of the loan received under the terms of the
4 contract. Providing false information or
5 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 (d) 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 application. Loan forgiveness provided under this section shall
11 not be concurrently awarded to a recipient of another
12 Commonwealth provided loan forgiveness program.

13 Section 4. Tax applicability.

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

18 Section 5. Annual report.

19 (a) General rule.--The agency shall publish a report by
20 October 1, 2021, and each year thereafter, for the immediately
21 preceding fiscal year. The report shall include information
22 regarding the operation of the program, including:

23 (1) The number and amount of contracts executed and
24 renewed for qualified applicants.

25 (2) The number of defaulted contracts, reported by
26 cause.

27 (3) The number of full-time staff participating in the
28 program, reported by position title, level of education and
29 type of health care facility the recipient is employed.

30 (4) The number and type of enforcement actions taken by

1 the agency.

2 (b) Submission.--The report shall be submitted to the
3 following:

4 (1) The Governor.

5 (2) The chairperson and minority chairperson of the
6 Appropriations Committee of the Senate.

7 (3) The chairperson and minority chairperson of the
8 Appropriations Committee of the House of Representatives.

9 (4) The chairperson and minority chairperson of the
10 Education Committee of the Senate.

11 (5) The chairperson and minority chairperson of the
12 Education Committee of the House of Representatives.

13 (6) The chairperson and minority chairperson of the
14 Health and Human Services Committee of the Senate.

15 (7) The chairperson and minority chairperson of the
16 Health Committee of the House of Representatives.

17 (8) The chairperson and minority chairperson of the
18 Human Services Committee of the House of Representatives.

19 Section 6. Appeals.

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

22 Section 7. Loan forgiveness awards.

23 Loan forgiveness under this act shall be awarded to
24 recipients who are working in and have received a satisfactory
25 rating from a qualified health care facility. Recipients shall
26 submit documentation of eligibility as the agency may require,
27 including documentation to indicate full-time employment, as
28 full-time employment is defined by the qualified health care
29 facility. The documentation shall be presented to the agency in
30 the form of a letter from the recipient's employer stating that

1 the recipient is employed by a qualified health care facility
2 and that the recipient performs duties in a satisfactory manner.

3 Section 8. Funding.

4 Loan forgiveness awards under this act shall be made to the
5 extent that money is appropriated by the General Assembly and is
6 sufficient to cover the administration of the program. In the
7 event that funding is insufficient to fully fund the
8 administration and all qualified applicants, priority shall be
9 given to renewal applicants. Thereafter, the agency shall
10 utilize a random lottery system for determining which qualified
11 applicants receive loan forgiveness awards.

12 Section 9. Responsibility of agency.

13 The agency shall administer the program and shall adopt
14 regulations, policies, procedures and forms as are necessary to
15 implement the program which are not inconsistent with the
16 provisions of this act.

17 Section 10. Effective date.

18 This act shall take effect in 60 days.