

108TH CONGRESS  
1ST SESSION

# H. R. 734

To provide loan forgiveness to social workers who work for child protective agencies.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2003

Mrs. JONES of Ohio (for herself, Mr. McDERMOTT, Mr. NADLER, Mr. RYAN of Ohio, Ms. MILLENDER-McDONALD, and Mr. KUCINICH) introduced the following bill; which was referred to the Committee on Education and the Workforce

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## A BILL

To provide loan forgiveness to social workers who work for child protective agencies.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS.**

4 Congress makes the following findings:

5 (1) Approximately 3,000,000 reports of child  
6 abuse and neglect must be investigated each year.

7 (2) Approximately 1,000,000 of these reports  
8 are confirmed and require ongoing intervention.

1           (3) On any given day in the United States,  
2 more than 500,000 children are being served outside  
3 their homes by the child welfare system.

4           (4) These children are served in more than  
5 150,000 foster homes and more than 5,000 residen-  
6 tial programs.

7           (5) The child welfare workforce crisis has devel-  
8 oped as the result of the following 3 major factors:

9           (A) Overall low levels of unemployment  
10 and the resulting increase in competition for  
11 workers in all sectors of the economy.

12           (B) The increasing numbers of children  
13 and families needing service coupled with the  
14 decreasing numbers of workers in the employ-  
15 ment pool.

16           (C) The relatively low pay and difficult  
17 working conditions that exist in many child wel-  
18 fare agencies.

19           (6) The vacancy rate in State child welfare  
20 agencies is 8.1 percent, and 14.3 percent for private  
21 agencies.

22           (7) The overall turnover rate in child welfare  
23 agencies has doubled since 1991, to 13.9 percent in  
24 public agencies and to 46.5 percent in private agen-  
25 cies.

1           (8) The child welfare workforce crisis is real  
2           and is already compromising the ability of the child  
3           welfare system to effectively provide essential serv-  
4           ices to its children and families. In addition, analysis  
5           of trends indicates that the situation will worsen  
6           over the next decade. It is clear that steps must be  
7           taken now to encourage more workers to enter the  
8           child welfare services field and to improve the sala-  
9           ries, working conditions, and training of workers  
10          who provide these critically important services.

11 **SEC. 2. LOAN FORGIVENESS FOR CHILD WELFARE WORK-**  
12 **ERS.**

13          Part B of title IV of the Higher Education Act of  
14 1965 is amended by inserting after section 428K (20  
15 U.S.C. 1078–11) the following:

16 **“SEC. 428L. LOAN FORGIVENESS FOR CHILD WELFARE**  
17 **WORKERS.**

18          “(a) PURPOSE.—It is the purpose of this section—

19               “(1) to bring more highly trained individuals  
20               into the child welfare profession; and

21               “(2) to keep more highly trained child welfare  
22               workers in the child welfare field for longer periods  
23               of time.

24          “(b) DEFINITIONS.—In this section:

1           “(1) CHILD WELFARE SERVICES.—The term  
2           ‘child welfare services’ has the meaning given the  
3           term in section 425 of the Social Security Act.

4           “(2) CHILD WELFARE AGENCY.—The term  
5           ‘child welfare agency’ means the State agency re-  
6           sponsible for administering subpart 1 of part B of  
7           title IV of the Social Security Act and any public or  
8           private agency under contract with the State agency  
9           to provide child welfare services.

10           “(3) INSTITUTION OF HIGHER EDUCATION.—  
11           The term ‘institution of higher education’ has the  
12           meaning given the term in section 101.

13           “(4) STATE.—The term ‘State’ has the mean-  
14           ing given the term in section 1101(a)(1) of the So-  
15           cial Security Act for purposes of title IV of such  
16           Act, and includes an Indian tribe.

17           “(c) DEMONSTRATION PROGRAM.—

18           “(1) IN GENERAL.—The Secretary may carry  
19           out a demonstration program of assuming the obli-  
20           gation to repay, pursuant to subsection (d), a loan  
21           made, insured, or guaranteed under this part or part  
22           D (excluding loans made under sections 428B and  
23           428C, or comparable loans made under part D) for  
24           any new borrower after the date of enactment of this  
25           section, who—

1           “(A) obtains a bachelor’s or master’s de-  
2           gree in social work;

3           “(B) obtains employment in public or pri-  
4           vate child welfare services; and

5           “(C) has worked full time as a social work-  
6           er for 2 consecutive years preceding the year  
7           for which the determination is made.

8           “(2) AWARD BASIS; PRIORITY.—

9           “(A) AWARD BASIS.—Subject to subpara-  
10          graph (B), loan repayment under this section  
11          shall be on a first-come, first-served basis and  
12          subject to the availability of appropriations.

13          “(B) PRIORITY.—The Secretary shall give  
14          priority in providing loan repayment under this  
15          section for a fiscal year to student borrowers  
16          who received loan repayment under this section  
17          for the preceding fiscal year.

18          “(3) OUTREACH.—The Secretary shall post a  
19          notice on a Department Internet web site regarding  
20          the availability of loan repayment under this section,  
21          and shall notify institutions of higher education re-  
22          garding the availability of loan repayment under this  
23          section.

1           “(4) REGULATIONS.—The Secretary is author-  
2 ized to prescribe such regulations as may be nec-  
3 essary to carry out the provisions of this section.

4           “(d) LOAN REPAYMENT.—

5           “(1) IN GENERAL.—The Secretary shall assume  
6 the obligation to repay—

7           “(A) after the third consecutive year of  
8 employment described in subsection (c)(1)(C),  
9 20 percent of the total amount of all loans  
10 made under this part or part D (excluding  
11 loans made under section 428B or 428C, or  
12 comparable loans made under part D) for any  
13 new borrower after the date of enactment of  
14 this section;

15           “(B) after the fourth consecutive year of  
16 such employment, 30 percent of the total  
17 amount of such loans; and

18           “(C) after the fifth consecutive year of  
19 such employment, 50 percent of the total  
20 amount of such loans.

21           “(2) CONSTRUCTION.—Nothing in this section  
22 shall be construed to authorize the refunding of any  
23 repayment of a loan made under this part or part  
24 D.

1           “(3) INTEREST.—If a portion of a loan is re-  
2           paid by the Secretary under this section for any  
3           year, the proportionate amount of interest on such  
4           loan which accrues for such year shall be repaid by  
5           the Secretary.

6           “(4) SPECIAL RULE.—In the case of a student  
7           borrower not participating in loan repayment pursu-  
8           ant to this section who returns to an institution of  
9           higher education after graduation from an institu-  
10          tion of higher education for the purpose of obtaining  
11          a degree described in subsection (c)(1)(A), the Sec-  
12          retary is authorized to assume the obligation to  
13          repay the total amount of loans made under this  
14          part or part D incurred for a maximum of 2 aca-  
15          demic years in returning to an institution of higher  
16          education for the purpose of obtaining such a de-  
17          gree. Such loans shall only be repaid for borrowers  
18          who qualify for loan repayment pursuant to the pro-  
19          visions of this section, and shall be repaid in accord-  
20          ance with the provisions of paragraph (1).

21          “(5) INELIGIBILITY OF NATIONAL SERVICE  
22          AWARD RECIPIENTS.—No student borrower may, for  
23          the same service, receive a benefit under both this  
24          section and subtitle D of title I of the National and

1 Community Service Act of 1990 (42 U.S.C. 12601  
2 et seq.).

3 “(e) REPAYMENT TO ELIGIBLE LENDERS.—The Sec-  
4 retary shall pay to each eligible lender or holder for each  
5 fiscal year an amount equal to the aggregate amount of  
6 loans which are subject to repayment pursuant to this sec-  
7 tion for such year.

8 “(f) APPLICATION FOR REPAYMENT.—

9 “(1) IN GENERAL.—Each eligible individual de-  
10 siring loan repayment under this section shall sub-  
11 mit a complete and accurate application to the Sec-  
12 retary at such time, in such manner, and containing  
13 such information as the Secretary may require.

14 “(2) CONDITIONS.—An eligible individual may  
15 apply for loan repayment under this section after  
16 completing each year of qualifying employment. The  
17 borrower shall receive forbearance while engaged in  
18 qualifying employment unless the borrower is in  
19 deferment while so engaged.

20 “(g) EVALUATION.—

21 “(1) IN GENERAL.—The Secretary shall con-  
22 duct, by grant or contract, an independent national  
23 evaluation of the impact of the demonstration pro-  
24 gram assisted under this section on the field of child  
25 welfare services.



1           “(2) COMPETITIVE BASIS.—The grant or con-  
2           tract described in paragraph (1) shall be awarded on  
3           a competitive basis.

4           “(3) CONTENTS.—The evaluation described in  
5           this subsection shall determine—

6                   “(A) whether the loan forgiveness program  
7                   has increased child welfare workers’ education  
8                   in the areas covered by loan forgiveness;

9                   “(B) whether the loan forgiveness program  
10                  has contributed to increased time on the job for  
11                  child welfare workers as measured by—

12                          “(i) the length of time child welfare  
13                          workers receiving loan forgiveness have  
14                          worked in the child welfare field; and

15                          “(ii) the length of time such workers  
16                          continue to work in such field after the  
17                          workers meet the requirements for loan  
18                          forgiveness under this section; and

19                   “(C) whether the loan forgiveness program  
20                   has increased the experience and the quality of  
21                   child welfare workers and has contributed to in-  
22                   creased performance in the outcomes of child  
23                   welfare services in terms of child well-being,  
24                   permanency, and safety, as determined after

1           consultation with the Secretary of Health and  
2           Human Services.

3           “(4) INTERIM AND FINAL EVALUATION RE-  
4           PORTS.—The Secretary shall prepare and submit to  
5           the President and Congress such interim reports re-  
6           garding the evaluation described in this subsection  
7           as the Secretary determines appropriate, and shall  
8           prepare and so submit a final report regarding the  
9           evaluation by September 30, 2005.

10          “(h) AUTHORIZATION OF APPROPRIATIONS.—There  
11         are authorized to be appropriated to carry out this section  
12         \$20,000,000 for fiscal year 2003, and such sums as may  
13         be necessary for each of the 4 succeeding fiscal years.”.

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