

108TH CONGRESS
1ST SESSION

S. 405

To amend the Higher Education Act of 1965 to improve the loan forgiveness program for child care providers, including preschool teachers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 13, 2003

Mr. DEWINE (for himself and Mr. DODD) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to improve the loan forgiveness program for child care providers, including preschool teachers, and for other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “Paul Wellstone Early
5 Educator Loan Forgiveness Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1)(A) The first 5 years of a child’s life are a
9 time of momentous change.

1 (B) Research shows that a child's brain size
2 doubles between birth and age 3.

3 (2) New scientific research shows that the elec-
4 trical activity of the brain cells actually changes the
5 physical structure of the brain, and that without a
6 stimulating environment, a baby's brain suffers.

7 (3) Research also indicates that there is a con-
8 nection between the cognitive, social, emotional, and
9 physical stimulation young children receive from
10 their early childhood teachers and caregivers and
11 success in learning, school readiness, and intellectual
12 growth. There are important short- and long-term
13 effects of that stimulation on cognition and social
14 development.

15 (4) High quality early childhood education cor-
16 relates with better language development, mathe-
17 matics abilities, and social skills.

18 (5) 11,900,000 children younger than age 5
19 spend part of their time with a child care provider
20 other than a parent. By 2000, 64 percent of 3- to
21 5-year-olds were enrolled in some type of preschool
22 program. Demand for child care is growing as more
23 mothers enter the workforce.

24 (6) Good quality child care, in a healthy and
25 safe environment, with trained, caring providers who

1 provide age-appropriate, developmentally appro-
2 priate, and effective activities, helps children grow
3 and thrive. Recent research shows that most child
4 care needs significant improvement.

5 (7) Good quality child care depends largely on
6 the provider, yet providers of child care earn on av-
7 erage \$7.86 per hour, or \$16,350 per year. Such
8 earnings cause high annual turnover, up to 31 per-
9 cent of the staff in some child care programs. High
10 turnover affects the overall quality of a child care
11 program and causes anxiety for children.

12 (8) Children attending lower quality child care
13 programs and child care programs with high staff
14 turnover are less competent in language and social
15 development than other children.

16 (9) The quality of child care is primarily related
17 to high staff-to-child ratios, staff education, profes-
18 sional development, and administrators' prior experi-
19 ence. In addition, certain characteristics distinguish
20 poor, mediocre, and good quality child care pro-
21 grams, the most important of which are teacher
22 wages, education, and specialized training.

23 (10) Each State requires kindergarten teachers
24 to hold at least a bachelor's degree and certificate in
25 early childhood education. Only 20 States and the

1 District of Columbia require teachers in prekindergarten
 2 programs to satisfy those requirements. Thirty
 3 States allow caregivers with no previous training
 4 to work in child care programs.

5 **SEC. 3. LOAN FORGIVENESS FOR CHILD CARE PROVIDERS.**

6 Section 428K of the Higher Education Act of 1965
 7 (20 U.S.C. 1078–11) is amended to read as follows:

8 **“SEC. 428K. LOAN FORGIVENESS FOR CHILD CARE PRO-**
 9 **VIDERS.**

10 “(a) PURPOSES.—The purposes of this section are—

11 “(1) to bring more highly trained individuals
 12 into the early child care profession; and

13 “(2) to keep more highly trained child care pro-
 14 viders in the early child care field for longer periods
 15 of time.

16 “(b) DEFINITIONS.—In this section:

17 “(1) CHILD CARE FACILITY.—The term ‘child
 18 care facility’ means a facility, including a home,
 19 that—

20 “(A) provides child care services; and

21 “(B) meets applicable State or local gov-
 22 ernment licensing, certification, approval, or
 23 registration requirements, if any.

24 “(2) CHILD CARE SERVICES.—The term ‘child
 25 care services’ means activities and services provided

1 for the education and care of children from birth
2 through age 5 by an individual who has a degree
3 in early childhood education, including a preschool
4 teacher.

5 “(3) DEGREE.—The term ‘degree’ means an as-
6 sociate’s or bachelor’s degree awarded by an institu-
7 tion of higher education.

8 “(4) EARLY CHILDHOOD EDUCATION.—The
9 term ‘early childhood education’ means education in
10 the area of early child development and education,
11 or any other educational area related to early child
12 development and education or child care, that the
13 Secretary determines to be appropriate.

14 “(5) ELIGIBLE PRESCHOOL PROGRAM PRO-
15 VIDER.—The term ‘eligible preschool program pro-
16 vider’ means a preschool program provider serving
17 children younger than the age of compulsory school
18 attendance in the State that is—

19 “(A) a public or private school;

20 “(B) a provider that is supported, spon-
21 sored, supervised, or administered by a local
22 educational agency;

23 “(C) a Head Start agency designated
24 under the Head Start Act (42 U.S.C. 9831 et
25 seq.);

1 “(D) a nonprofit or community-based orga-
2 nization; or

3 “(E) a licensed child care center or family
4 child care provider.

5 “(6) INSTITUTION OF HIGHER EDUCATION.—
6 Notwithstanding section 102, the term ‘institution of
7 higher education’ has the meaning given the term in
8 section 101.

9 “(7) PRESCHOOL TEACHER.—The term ‘pre-
10 school teacher’ means an individual—

11 “(A) who has received at least an associ-
12 ate’s degree in early childhood education and
13 who is working toward or who has already re-
14 ceived a bachelor’s degree in early childhood
15 education; and

16 “(B) who works for an eligible preschool
17 program provider supporting the children’s cog-
18 nitive, social, emotional, and physical develop-
19 ment to prepare the children for the transition
20 to kindergarten.

21 “(c) LOAN FORGIVENESS.—

22 “(1) IN GENERAL.—The Secretary may carry
23 out a program of assuming the obligation to repay,
24 pursuant to subsection (d), a loan made, insured, or
25 guaranteed under this part, part D (excluding loans

1 made under sections 428B and 428C or comparable
2 loans made under part D), or part E for any new
3 borrower after the date of enactment of the Higher
4 Education Amendments of 1998, who—

5 “(A) receives a degree in early childhood
6 education;

7 “(B) obtains employment in a child care
8 facility, such as employment as a preschool
9 teacher; and

10 “(C) has been employed full time, for the
11 2 consecutive years preceding the year for
12 which the determination is made, as a provider
13 of child care services in a child care facility in
14 a low-income community.

15 “(2) LOW-INCOME COMMUNITY.—In this sub-
16 section, the term ‘low-income community’ means a
17 community in which 70 percent of households earn
18 less than 85 percent of the State median household
19 income.

20 “(3) AWARD BASIS; PRIORITY.—

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

1 “(B) PRIORITY.—The Secretary shall give
2 priority in providing loan repayment under this
3 section for a fiscal year to student borrowers
4 who received loan repayment under this section
5 for the preceding fiscal year.

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

9 “(d) LOAN REPAYMENT.—

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

12 “(A) after the second consecutive year of
13 employment described in subparagraphs (B)
14 and (C) of subsection (c)(1), 20 percent of the
15 total amount of all loans described in subsection
16 (c)(1) and made after the date of enactment of
17 the Higher Education Amendments of 1998, to
18 a student;

19 “(B) after the third consecutive year of
20 such employment, 20 percent of the total
21 amount of all such loans; and

22 “(C) after each of the fourth and fifth con-
23 secutive years of such employment, 30 percent
24 of the total amount of all such loans.

1 “(2) CONSTRUCTION.—Nothing in this section
2 shall be construed to authorize the refunding of any
3 repayment of a loan made, insured, or guaranteed
4 under this part, part D, or part E.

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

10 “(4) SPECIAL RULE.—In the case in which a
11 student borrower who is not participating in loan re-
12 payment pursuant to this section returns to an insti-
13 tution of higher education after graduation from an
14 institution of higher education for the purpose of ob-
15 taining a degree in early childhood education, the
16 Secretary is authorized to assume the obligation to
17 repay the total amount of loans described in sub-
18 section (c)(1) and incurred for a maximum of 2 aca-
19 demic years in returning to the institution of higher
20 education for the purpose of obtaining the degree in
21 early childhood education. Such loans shall only be
22 repaid for borrowers who qualify for loan repayment
23 pursuant to the provisions of this section, and shall
24 be repaid in accordance with the provisions of para-
25 graph (1).

1 “(5) INELIGIBILITY OF NATIONAL SERVICE
2 AWARD RECIPIENTS.—No student borrower may, for
3 the same service, receive a benefit under both this
4 section and subtitle D of title I of the National and
5 Community Service Act of 1990 (42 U.S.C. 12601
6 et seq.).

7 “(e) REPAYMENT TO ELIGIBLE LENDERS AND
8 HOLDERS.—The Secretary shall pay to each eligible lend-
9 er or holder for each fiscal year an amount equal to the
10 aggregate amount of the lender’s or holder’s loans that
11 are subject to repayment pursuant to this section for such
12 year.

13 “(f) APPLICATION FOR REPAYMENT.—

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

19 “(2) CONDITIONS.—An eligible individual may
20 apply for loan repayment under this section after
21 completing each of the second through the fifth con-
22 secutive years of qualifying employment described in
23 subsection (d)(1). The borrower shall receive for-
24 bearance while engaged in qualifying employment

1 described in subsection (d)(1) unless the borrower is
2 in deferment while so engaged.

3 “(g) EVALUATION.—

4 “(1) IN GENERAL.—The Secretary shall con-
5 duct, by grant or contract, an independent national
6 evaluation of the impact of the program assisted
7 under this section on the field of early childhood
8 education.

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

12 “(3) CONTENTS.—The evaluation described in
13 this subsection shall—

14 “(A) determine the number of individuals
15 who were encouraged by the program assisted
16 under this section to pursue early childhood
17 education;

18 “(B) determine the number of individuals
19 who remain employed in a child care facility as
20 a result of participation in the program;

21 “(C) identify the barriers to the effective-
22 ness of the program;

23 “(D) assess the cost-effectiveness of the
24 program in improving the quality of—

25 “(i) early childhood education; and

1 “(ii) child care services;

2 “(E) identify the reasons why participants
3 in the program have chosen to take part in the
4 program;

5 “(F) identify the number of individuals
6 participating in the program who received an
7 associate’s degree and the number of such indi-
8 viduals who received a bachelor’s degree; and

9 “(G) identify the number of years each in-
10 dividual participated in the program.

11 “(4) INTERIM AND FINAL EVALUATION RE-
12 PORTS.—The Secretary shall prepare and submit to
13 the President and Congress such interim reports re-
14 garding the evaluation described in this subsection
15 as the Secretary determines to be appropriate, and
16 shall prepare and so submit a final report regarding
17 the evaluation by January 1, 2007.

18 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
19 are authorized to be appropriated to carry out this section
20 \$25,000,000 for fiscal year 2004, and such sums as may
21 be necessary for each of the 4 succeeding fiscal years.”.

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