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State of Misconsin 1997 - 1998 LEGISLATURE

1997 ASSEMBLY BILL 828

February 25, 1998 – Introduced by Representatives BOCK, NOTESTEIN, HANDRICK, STASKUNAS, TURNER, R. YOUNG, L. YOUNG, R. POTTER, BALDWIN, LA FAVE and SPRINGER, cosponsored by Senators BURKE, PLACHE, RISSER and DARLING. Referred to Committee on Colleges and Universities.

1 AN ACT to create 20.235 (1) (cw) and 39.385 of the statutes; relating to: the child

care worker loan repayment assistance program, granting rule-making

3 authority and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill creates a child care worker loan repayment assistance program to be administered by the higher educational aids board (HEAB). Under the program, a child care worker is initially reimbursed by HEAB for 10% of the outstanding principal amount of educational loans of the child care worker or \$1,000, whichever is less, if all of the following apply:

1. The child care worker has been continuously employed full time in this state as a child care worker for not less than 12 months.

2. The child care worker graduated on or after May 1, 1997, with a degree in an area relating to early childhood education.

3. The child care worker is currently in repayment on any educational loan and is not in default on repayment.

After initial reimbursement under the program, a child care worker is eligible for additional loan repayment assistance payments from HEAB, up to a maximum of 4 additional reimbursements, in the same manner as initial reimbursement under the program.

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For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1	SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
2	the following amounts for the purposes indicated:
3	1997-98 1998-99
4	20.235 Higher educational aids board
5	(1) Student support activities
6	(cw) Child care worker loan repay-
7	ment assistance program GPR B 65,000 95,000
8	SECTION 2. 20.235 (1) (cw) of the statutes is created to read:
9	20.235 (1) (cw) Child care worker loan repayment assistance program.
10	Biennially, the amounts in the schedule for the child care worker loan repayment
11	assistance program for private institutions under s. 39.385.
12	SECTION 3. 39.385 of the statutes is created to read:
13	39.385 Child care worker loan repayment assistance program. (1)
14	There is established, to be administered by the board, a loan repayment assistance
15	program for resident child care workers who meet all of the following requirements:
16	(a) Have graduated on or after May 1, 1997, with a bachelor's degree from an
17	institution of higher education, as defined in s. 39.32 (1) (a), located in this state or
18	a degree under an associate degree program, as defined in s. 38.01 (1), in an area
19	relating to early childhood education.

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(b) Are currently in loan repayment on any student loan, which loan repayment
 status is not in default, as determined by the applicable lender.

- 3 (c) Have been continuously employed on a full-time basis in this state for at
 4 least 12 months as a child care worker.
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(2) The board shall:

6 (a) Reimburse a child care worker for 10% of the outstanding principal amount 7 of any student loans of the child care worker or \$1,000, whichever is less, for the 8 12-month period of eligibility under sub. (1). As a condition of eligibility for loan 9 repayment assistance under this paragraph, the child care worker shall submit to 10 the board, on a form prescribed by the board, a statement certified by the lender of 11 an applicable student loan, within 30 days previous to the filing of the submission, 12that the loan repayment status of the borrower is not in default and the outstanding 13 principal amount of the applicable student loan.

(b) For each succeeding 12-month period of eligibility under sub. (1), reimburse
the child care worker as determined under par. (a). No child care worker is eligible
for more than 5 loan repayment assistance payments under this section.

- 17 (c) Make the loan repayment assistance payments under pars. (a) and (b) from
 18 the appropriation account under s. 20.235 (1) (cw), subject to the availability of funds.
- (d) Promulgate rules to implement and administer this section, including rules
 establishing the criteria and procedures for loan repayment assistance and, after
 first consulting with the department of health and family services, defining "child
 care worker" for the purposes of this section. The definition of "child care worker"
 shall include any child care position specified in rules of the department of health and
 family services relating to day care and family day care centers for children.
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(END)

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