



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
2 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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1 (b) Are currently in loan repayment on any student loan, which loan repayment
2 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.

5 **(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,
12 that the loan repayment status of the borrower is not in default and the outstanding
13 principal amount of the applicable student loan.

14 (b) For each succeeding 12-month period of eligibility under sub. (1), reimburse
15 the child care worker as determined under par. (a). No child care worker is eligible
16 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.

19 (d) Promulgate rules to implement and administer this section, including rules
20 establishing the criteria and procedures for loan repayment assistance and, after
21 first consulting with the department of health and family services, defining "child
22 care worker" for the purposes of this section. The definition of "child care worker"
23 shall include any child care position specified in rules of the department of health and
24 family services relating to day care and family day care centers for children.

25 **(END)**