

2007 ASSEMBLY BILL 867

February 21, 2008 – Introduced by Representatives BLACK, BERCEAU, SHERIDAN, SINICKI, POCAN, BIES, GUNDERSON, GRIGSBY and MOLEPSKE, cosponsored by Senator LASSA. Referred to Committee on Colleges and Universities.

1 **AN ACT to create** 20.235 (1) (cw) and 39.385 of the statutes; **relating to:** child
2 care worker loan repayment assistance, granting rule-making authority, and
3 making an appropriation.

Analysis by the Legislative Reference Bureau

This bill creates a program of child care worker loan repayment assistance to be administered by the Higher Educational Aids Board (HEAB). Under the program, HEAB reimburses a child care worker for 10 percent of the outstanding principal amount of the child care worker's student loans or \$1,000, whichever is less, after the child care worker has been continuously employed full time in this state for at least 12 months as a child care worker and after each additional 12-month period of such continuous full-time employment, subject to a maximum of five assistance payments, if all of the following apply:

1. The child care worker graduated on or after May 1, 2008, with a degree in an area relating to early childhood education.
2. The child care worker is currently repaying a student loan and is not in default on repayment of the loan.
3. The child care worker has submitted to HEAB a statement by the lender certifying the outstanding principal amount of the student loan and that the child care worker is not in default on repayment of the loan.

ASSEMBLY BILL 867

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:

	2007–08	2008–09
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4 **20.235 Higher educational aids board**

5 (1) STUDENT SUPPORT ACTIVITIES

6 (cw) Child care worker loan repay-

ment assistance	GPR	B	–0–	50,000
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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.* Biennially, the
10 amounts in the schedule for child care worker loan repayment assistance under s.
11 39.385.

12 **SECTION 3.** 39.385 of the statutes is created to read:

13 **39.385 Child care worker loan repayment assistance. (1) CRITERIA.** The
14 board shall administer a loan repayment assistance program for resident child care
15 workers. A child care worker is eligible for loan repayment assistance under the
16 program if the child care worker meets all of the following requirements:

17 (a) The child care worker has graduated on or after May 1, 2008, with a
18 bachelor’s degree from an institution of higher education, as defined in s. 39.32 (1)
19 (a), located in this state, or a degree under an associate degree program, as defined
20 in s. 38.01 (1), in an area relating to early childhood education.

ASSEMBLY BILL 867

1 (b) The child care worker is currently repaying a student loan and is not in
2 default on repayment of that loan, as determined by the applicable lender.

3 (c) The child care worker submits to the board, on a form prescribed by the
4 board, a statement by the lender, dated within 30 days before the date on which the
5 statement is submitted to the board, certifying the outstanding principal amount of
6 the student loan and that the loan repayment status of the borrower is not in default
7 on repayment of the loan.

8 **(2) LOAN REPAYMENT ASSISTANCE.** From the appropriation account under s.
9 20.235 (1) (cw), the board, subject to the availability of funds, shall reimburse a child
10 care worker who is eligible under sub. (1) for 10 percent of the outstanding principal
11 amount of the student loans of the child care worker or in the amount of \$1,000,
12 whichever is less, after the child care worker has been continuously employed full
13 time in this state for at least 12 months as a child care worker and after each
14 additional 12-month period of such continuous full-time employment, subject to a
15 maximum of 5 loan repayment assistance payments under this section.

16 **(3) RULES.** The board shall promulgate rules to implement and administer this
17 section, including rules establishing the criteria and procedures for loan repayment
18 assistance and, after first consulting with the department of health and family
19 services, rules defining “child care worker” for the purposes of this section. The
20 definition of “child care worker” shall include any child care position specified in
21 rules of the department of health and family services relating to child day care and
22 family day care centers for children.

23 **SECTION 4. Fiscal changes.**

24 (1) **CHILD CARE WORKER LOAN REPAYMENT ASSISTANCE.** In the schedule under
25 section 20.005 (3) of the statutes for the appropriation to the higher educational aids

ASSEMBLY BILL 867

1 board under section 20.235 (2) (aa) of the statutes, as affected by the acts of 2007, the
2 dollar amount is increased by \$6,000 for fiscal year 2008–09 to cover costs incurred
3 in administering child care worker loan repayment assistance under section 39.385
4 of the statutes, as created by this act.

5 **SECTION 5. Effective date.**

6 (1) This act takes effect on July 1, 2008.

7 (END)