



2005 ASSEMBLY BILL 1105

March 9, 2006 – Introduced by Representatives BLACK, BERCEAU, FIELDS, GRIGSBY, LEHMAN, POCAN, POPE-ROBERTS, SINICKI and YOUNG, cosponsored by Senators MILLER, COGGS, ERPENBACH, LASSA and RISSER. 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, 2005, 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.
3. The child care worker has submitted to HEAB a statement by the lender certifying that the child care worker is not in default on repayment and the outstanding principal amount of the student loan.

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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:

	2005-06	2006-07
20.235 Higher educational aids board		
(1) STUDENT SUPPORT ACTIVITIES		
(cw) Child care worker loan repay-		
ment assistance	GPR B	50,000 50,000

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.* 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, 2005, 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.

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1 (b) The child care worker is currently repaying a student loan and are not in
2 default on 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 certified by the lender, within 30 days previous to the filing of the
5 submission, certifying that the loan repayment status of the borrower is not in
6 default and the outstanding principal amount of the student loan.

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

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

SECTION 4. Appropriation changes.

22
23 (1) **CHILD CARE WORKER LOAN REPAYMENT ASSISTANCE.** In the schedule under
24 section 20.005 (3) of the statutes for the appropriation to the higher educational aids
25 board under section 20.235 (2) (aa) of the statutes, as affected by the acts of 2005, the

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1 dollar amount is increased by \$21,300 for fiscal year 2005-06 and the dollar amount
2 is increased by \$21,300 for fiscal year 2006-07 to increase the authorized FTE
3 positions for the higher educational aids board by 0.5 position for the purpose of
4 administering child care worker loan repayment assistance under section 39.385 of
5 the statutes, as created by this act.

6 **SECTION 5. Effective date.**

7 (1) This act takes effect on the day after publication, or on the 2nd day after
8 publication of the 2005-07 biennial budget act, whichever is later.

9 (END)