

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 900 Session of 2025

INTRODUCED BY KANE, TARTAGLIONE, COMMITTA, SCHWANK, CAPPELLETTI,
COSTA AND SANTARSIERO, JULY 8, 2025

REFERRED TO EDUCATION, JULY 8, 2025

AN ACT

1 Providing for Commonwealth support for a Mental Health and
2 Intellectual Disability Staff Member Loan Forgiveness Program
3 and an Alcohol and Drug Addiction Counselor Loan Forgiveness
4 Program; and imposing duties on the Pennsylvania Higher
5 Education Assistance Agency.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Short title.

9 This act shall be known and may be cited as the Mental Health
10 and Intellectual Disability Staff Member Loan Forgiveness
11 Program and Alcohol and Drug Addiction Counselor Loan
12 Forgiveness Program Act.

13 Section 2. Findings and declaration of purpose.

14 The General Assembly finds and declares that:

15 (1) Community-based mental health, intellectual
16 disability and alcohol and drug addiction treatment services
17 offer lifelong supports and opportunities for a meaningful
18 quality of life, in fulfillment of Federal and State laws.

19 (2) Treatment of alcohol and other drug addiction is a

1 crucial investment in health care, in the stability of
2 families and in protecting the public safety.

3 (3) A qualified and stable workforce is the key to
4 quality community mental health and intellectual disability
5 services and to quality alcohol and drug addiction counseling
6 services.

7 (4) The pool of qualified staff members has diminished.

8 (5) The number of college students planning to enter the
9 mental health and intellectual disability profession or the
10 alcohol and drug addiction counseling profession appears to
11 be inadequate to meet the need for staff members in this
12 Commonwealth.

13 (6) Demand from industry and other opportunities attract
14 potential staff members away from these professions.

15 (7) Payment of a portion of student loans for mental
16 health and intellectual disability staff members or alcohol
17 and drug addiction counselors serves the important public
18 purpose of encouraging new staff members to pursue careers in
19 this Commonwealth.

20 Section 3. Definitions.

21 The following words and phrases when used in this act shall
22 have the meanings given to them in this section unless the
23 context clearly indicates otherwise:

24 "Agency." The Pennsylvania Higher Education Assistance
25 Agency.

26 "Counselor." A counselor assistant, counselor or clinical
27 supervisor who qualifies for the Alcohol and Drug Addiction
28 Counselor Loan Forgiveness Program.

29 "Licensed alcohol and drug addiction treatment facility." An
30 alcohol or drug addiction treatment facility licensed by the

1 Department of Drug and Alcohol Programs to provide addiction
2 treatment services.

3 "Qualified counselor applicant." A person applying for the
4 Alcohol and Drug Addiction Counselor Loan Forgiveness Program
5 who meets the following criteria:

6 (1) Is a resident of this Commonwealth.

7 (2) Has successfully completed a two-year or four-year
8 academic degree or diploma or graduate level academic degree
9 or diploma at an accredited college or university.

10 (3) Has been hired as a full-time counselor by a
11 licensed alcohol and drug addiction treatment facility.

12 (4) Has successfully completed the first six months of
13 full-time employment as a counselor at a licensed alcohol and
14 drug addiction treatment facility and remains in good
15 standing with the facility.

16 (5) Has borrowed through and has a current outstanding
17 balance with guaranteed Stafford or consolidation loan
18 programs administered by the agency.

19 "Qualified staff member applicant." A person applying for
20 the Mental Health and Intellectual Disability Staff Member Loan
21 Forgiveness Program who meets all of the following criteria:

22 (1) Is a resident of this Commonwealth.

23 (2) Has successfully completed a two-year or four-year
24 academic degree or diploma or graduate-level academic degree
25 or diploma at an accredited college or university.

26 (3) Has been hired as a full-time staff member by a
27 county mental health or intellectual disability service
28 agency within this Commonwealth through a merit or civil
29 service system approved by the Secretary of Human Services or
30 by a private provider that is under contract with either a

1 county within this Commonwealth to provide mental health or
2 intellectual disability services or the Department of Human
3 Services to provide behavioral health rehabilitation services
4 to individuals with developmental disabilities.

5 (4) Has successfully completed the first six months of
6 full-time employment as a staff member at a county mental
7 health or intellectual disability service agency within this
8 Commonwealth or a private provider under contract with either
9 a county within this Commonwealth or the Department of Human
10 Services and remains in good standing with the service agency
11 within this Commonwealth or private provider.

12 (5) Performs staff duties at a county mental health or
13 intellectual disability service agency within this
14 Commonwealth or at a private provider within this
15 Commonwealth that is under contract with either a county to
16 provide mental health or intellectual disability services or
17 the Department of Human Services to provide behavioral health
18 rehabilitation services to individuals with developmental
19 disabilities.

20 (6) Has borrowed through and has a current outstanding
21 balance with the guaranteed Stafford or consolidation loan
22 programs administered by the agency.

23 (7) Agrees to work in the field for not less than four
24 years.

25 "Recipient." An individual who enters into a contract under
26 section 5 or 6.

27 "Staff member." A caseworker, direct support professional,
28 therapist, program coordinator or director who qualifies for the
29 Mental Health and Intellectual Disability Staff Member Loan
30 Forgiveness Program.

1 Section 4. Establishment.

2 The Mental Health and Intellectual Disability Staff Member
3 Loan Forgiveness Program and the Alcohol and Drug Addiction
4 Counselor Loan Forgiveness Program are established within the
5 agency to aid in the payment of a portion of student loans for
6 mental health and intellectual disability staff members or
7 alcohol and drug addiction counselors employed within this
8 Commonwealth.

9 Section 5. Mental Health and Intellectual Disability Staff
10 Member Loan Forgiveness Program.

11 (a) Components.--Components shall be as follows:

12 (1) A qualified staff member applicant who is selected
13 for the Mental Health and Intellectual Disability Staff
14 Member Loan Forgiveness Program in accordance with this act
15 shall be eligible for payment by the agency of a portion of
16 the debt incurred by the qualified staff member applicant
17 through the guaranteed Stafford or consolidation loan
18 programs administered by the agency for the education
19 necessary to be a mental health or intellectual disability
20 professional in this Commonwealth if the qualified staff
21 member applicant enters into a contract with the agency that
22 requires the recipient to remain employed as a full-time
23 mental health or intellectual disability professional in this
24 Commonwealth for a period of two consecutive years.

25 (2) The agency may forgive a proportional part of the
26 qualified staff member applicant's loan so that the loan may
27 be entirely forgiven over four years of full-time staff work.
28 No more than \$6,250 shall be forgiven in any year, and not
29 more than \$25,000 shall be forgiven for any qualified staff
30 member applicant.

1 (3) Payments shall be made in accordance with the
2 procedures established by the agency.

3 (4) The contract entered into with the agency under
4 paragraph (1) shall be considered a contract with the
5 Commonwealth and shall include the following terms:

6 (i) The recipient shall agree to be employed by a
7 county mental health or intellectual disability service
8 agency located within this Commonwealth or by a private
9 provider of mental health or intellectual disability
10 services for a period of not less than four years in the
11 field.

12 (ii) The recipient shall permit the agency to
13 determine compliance with the work requirement and the
14 other terms of the contract.

15 (iii) Upon the recipient's death or total or
16 permanent disability, the agency shall nullify the
17 service obligation of the recipient.

18 (iv) If the recipient is convicted of or pleads
19 guilty or no contest to a felony, the agency shall have
20 the authority to terminate the recipient's service in the
21 program and demand repayment of the amount of the loan as
22 of the date of the conviction.

23 (v) Recipients who fail to begin or complete the
24 obligations contracted for shall pay to the agency the
25 amount of the loan received under the terms of the
26 contract under this section. Providing false information
27 or misrepresentation on an application or verification of
28 service shall be deemed a default. Determination as to
29 the time of the default shall be made by the agency.

30 (b) Limitations.--A loan forgiveness award under this act

1 shall not be made for a loan that is in default at the time of
2 the application. Loan forgiveness provided under the provisions
3 of this act shall not be concurrently awarded to an individual
4 in receipt of another Commonwealth-provided loan forgiveness
5 program.

6 Section 6. Alcohol and Drug Addiction Counselor Loan
7 Forgiveness Program.

8 (a) Components.--Components shall be as follows:

9 (1) A qualified counselor applicant who is selected for
10 the Alcohol and Drug Addiction Counselor Loan Forgiveness
11 Program in accordance with this act shall be eligible for
12 payment by the agency of a portion of the debt incurred by
13 the qualified counselor applicant through the guaranteed
14 Stafford or consolidation loan programs administered by the
15 agency for the education necessary to be an alcohol and drug
16 addiction counseling professional in this Commonwealth if the
17 qualified counselor applicant enters into a contract with the
18 agency that requires the recipient to remain employed as a
19 full-time alcohol and drug addiction counseling professional
20 in this Commonwealth for a period of two consecutive years.

21 (2) The agency may forgive a proportional part of the
22 qualified counselor applicant's loan so that the loan may be
23 entirely forgiven over four years of full-time staff work. No
24 more than \$6,250 shall be forgiven in any year, and not more
25 than \$25,000 shall be forgiven for any qualified counselor
26 applicant.

27 (3) Payments shall be made in accordance with the
28 procedures established by the agency.

29 (4) The contract entered into with the agency under
30 paragraph (1) shall be considered a contract with the

1 Commonwealth and shall include the following terms:

2 (i) The recipient shall agree to be employed by a
3 licensed alcohol and drug addiction treatment facility
4 located within this Commonwealth for a period of not less
5 than four years in the field.

6 (ii) The recipient shall permit the agency to
7 determine compliance with the work requirement and all
8 other terms of the contract.

9 (iii) Upon the recipient's death or total or
10 permanent disability, the agency shall nullify the
11 service obligation of the recipient.

12 (iv) If the recipient is convicted of or pleads
13 guilty or no contest to a felony, the agency shall have
14 the authority to terminate the recipient's service in the
15 program and demand repayment of the amount of the loan as
16 of the date of the conviction.

17 (v) Recipients who fail to begin or complete the
18 obligations contracted for shall pay to the agency the
19 amount of the loan received under the terms of the
20 contract under this section. Providing false information
21 or misrepresentation on an application or verification of
22 service shall be deemed a default. Determination as to
23 the time of the default shall be made by the agency.

24 (b) Limitation.--A loan forgiveness award under this act
25 shall not be made for a loan that is in default at the time of
26 the application. Loan forgiveness provided under the provisions
27 of this act shall not be concurrently awarded to an individual
28 in receipt of another Commonwealth-provided loan forgiveness
29 program.

30 Section 7. Tax applicability.

1 Loan forgiveness repayments by a student shall not be
2 considered taxable income for purposes of Article II of the act
3 of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of
4 1971.

5 Section 8. Annual report.

6 (a) Development of report.--The agency shall post a report
7 on the agency's publicly accessible Internet website by October
8 1, 2025, and each October 1 thereafter for the immediately
9 preceding fiscal year. The report shall include information
10 regarding the operation of the Mental Health and Intellectual
11 Disability Staff Member Loan Forgiveness Program and the Alcohol
12 and Drug Addiction Counselor Loan Forgiveness Program,
13 including:

14 (1) The number and amount of mental health and
15 intellectual disability staff member and alcohol and drug
16 addiction counselor contracts executed and renewed for mental
17 health and intellectual disability staff member loan
18 forgiveness applicants and alcohol and drug addiction
19 counselor loan forgiveness applicants.

20 (2) The number of defaulted mental health and
21 intellectual disability staff member and alcohol and drug
22 addiction counselor contracts, reported by cause.

23 (3) The number of full-time staff members of mental
24 health and intellectual disability service agencies, the
25 number of full-time staff employees of private providers and
26 the number of full-time staff employees of licensed alcohol
27 and drug addiction facilities participating in the programs
28 under this subsection, reported by type of institution
29 attended, including four-year educational institutions,
30 community colleges and independent two-year colleges.

(4) The number and type of enforcement actions taken by the agency.

(b) Submission.--The annual report under subsection (a) shall be submitted to the Governor, the chair and minority chair of the Appropriations Committee of the Senate, the chair and minority chair of the Appropriations Committee of the House of Representatives, the chair and minority chair of the Education Committee of the Senate, the chair and minority chair of the Education Committee of the House of Representatives, the chair and minority chair of the Health and Human Services Committee of the Senate and the chair and minority chair of the Human Services Committee of the House of Representatives.

Section 9. Appeals.

The provisions of this act shall be subject to 22 Pa. Code Ch. 121 (relating to student financial aid).

Section 10. Loan forgiveness awards.

(a) Qualified recipients.--Recipients of loan forgiveness awards under this act shall be those qualified staff member applicants or qualified counselor applicants who are working in and who have received a satisfactory rating from:

(1) a county office of mental health or intellectual disability service within this Commonwealth;

(2) a private provider within this Commonwealth under contract with a county within this Commonwealth or the Department of Human Services; or

(3) a licensed alcohol and drug addiction treatment facility.

(b) Documentation required.--Staff members or counselors shall submit documentation of eligibility as the agency may require, including documentation to indicate full-time

1 employment, as full-time employment is defined by a county
2 office, a private provider or a licensed alcohol or drug
3 addiction treatment facility. The documentation shall be
4 presented to the agency in the form of a letter from the
5 employer of the qualified counselor or qualified staff member
6 applicants stating that the applicant is employed by the mental
7 health or intellectual disability service provider or a licensed
8 alcohol and drug addiction treatment facility and that the
9 applicant performs the applicant's duties in a satisfactory
10 manner.

11 Section 11. Funding.

12 Loan forgiveness awards under this act may be made to the
13 extent that funds are appropriated by the General Assembly and
14 are sufficient to cover the administration of the programs under
15 this act. In the event that funding is insufficient to fully
16 fund the administration of this act, recipients and all eligible
17 applicants, priority shall be given to recipients who renew
18 eligibility under this act. After fully funding recipients who
19 renew, the agency shall utilize a random lottery system for
20 determining which applicants receive loan forgiveness awards.

21 Section 12. Responsibility of agency.

22 The agency shall administer the programs established by this
23 act and shall adopt regulations, policies, procedures and forms
24 as are necessary and consistent with the provisions of this act.

25 Section 13. Effective date.

26 This act shall take effect in 60 days.