

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

INTERIM STUDY PROPOSAL 2007-073

State of Arkansas

*As Engrossed: H3/7/07 H3/8/07 H3/23/07*

86th General Assembly

# A Bill

Regular Session, 2007

HOUSE BILL 2549

By: Representative L. Smith

Referred to  
Education Committee- House  
by the House of Representatives  
on 03/28/2007

## For An Act To Be Entitled

AN ACT TO ESTABLISH THE ARKANSAS *SOCIAL WORK*  
STUDENT LOAN FORGIVENESS PROGRAM; AND FOR OTHER  
PURPOSES.

### Subtitle

*AN ACT TO ESTABLISH THE ARKANSAS SOCIAL  
WORK STUDENT LOAN FORGIVENESS PROGRAM.*

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code title 6, Chapter 81, is amended to add an additional subchapter to read as follows:

SUBCHAPTER 16 – ARKANSAS *SOCIAL WORK* STUDENT LOAN FORGIVENESS PROGRAM.

6-81-1601. Creation.

(a) There is created the Arkansas *Social Work* Student Loan Forgiveness Program to be administered by the *Department of Higher Education*.

(b) The program shall provide loan assistance to eligible students for upper-division undergraduate and graduate study.

6-81-1602. Purpose.

The primary purpose of the Arkansas *Social Work* Student Loan

1 Forgiveness Program is to:

2 (1) Attract capable and promising students to the social work  
3 profession;

4 (2) Increase employment and retention of persons who are working  
5 toward or who have received either a baccalaureate degree or a master's  
6 degree in social work;

7 (3) Provide opportunities for persons making mid-career  
8 decisions to enter the social work profession; and

9 (4) Increase the opportunity for those in need of services  
10 provided by social workers in this state to obtain appropriate services.

11  
12 6-81-1603. Definitions.

13 As used in this subchapter, "agreed eligible social work services  
14 provider" means a state agency or community-based entity that:

15 (1) Provides social work services;

16 (2) Is approved by the Arkansas Higher Education Coordinating  
17 Board as a social work services provider for purposes of this subchapter; and

18 (3) The student participating in the loan forgiveness program  
19 under this subchapter has agreed to work for in the social work profession as  
20 provided in § 6-81-1604(a).

21  
22 6-81-1604. Eligibility – Loan forgiveness.

23 (a) To be eligible for a program loan, a candidate shall:

24 (1) Be a full-time student at the upper-division undergraduate  
25 or graduate level in a social work program approved by the Council on Social  
26 Work Education leading to either a baccalaureate degree or a master's degree  
27 in social work;

28 (2) Have declared an intent to work:

29 (A) In social work with an agreed eligible social work  
30 services provider; and

31 (B) For at least the number of years for which a  
32 forgivable loan is received;

33 (3)(A) If applying for an undergraduate forgivable loan, have  
34 maintained a minimum cumulative grade point average of at least a 2.5 on a  
35 4.0 scale for all undergraduate courses in social work.

36 (B) Renewal applicants for undergraduate loans shall have

1 maintained a minimum cumulative grade point average of at least a 2.5 on a  
2 4.0 scale for all undergraduate work and have earned at least twelve (12)  
3 semester credits per term, or the equivalent; and

4 (4)(A) If applying for a graduate forgivable loan, have  
5 maintained an undergraduate cumulative grade point average of at least a 3.0  
6 on a 4.0 scale or have attained a Graduate Record Examination score of at  
7 least one thousand (1,000).

8 (B) Renewal applicants for graduate loans shall have  
9 maintained a minimum cumulative grade point average of at least a 3.0 on a  
10 4.0 scale for all graduate work and have earned at least nine (9) semester  
11 credits per term, or the equivalent.

12 (b) An undergraduate forgivable loan may be awarded for two (2)  
13 undergraduate years, not to exceed six thousand dollars (\$6,000) per year.

14 (c) A graduate forgivable loan may be awarded for two (2) graduate  
15 years, not to exceed nine thousand five hundred dollars (\$9,500) per year.

16 (d) In addition to meeting criteria specified in subsection (a) of  
17 this section, a loan recipient at the graduate level shall:

18 (1) Hold a baccalaureate degree from a school or department of  
19 social work at any college or university accredited by the Council on Social  
20 Work Education; and

21 (2) Not have received an undergraduate forgivable loan as  
22 provided for in subsection (b) of this section.

23 (e) The Arkansas Higher Education Coordinating Board shall adopt rules  
24 necessary to administer the program, including without limitation, the  
25 following:

26 (1) A forgivable loan must be repaid within ten (10) years after  
27 completion of a program of studies;

28 (2) Credit for repayment of an undergraduate or graduate  
29 forgivable loan shall be in an amount not to exceed six thousand dollars  
30 (\$6,000) in loan principal plus applicable accrued interest for each full  
31 year of eligible service in the social work profession;

32 (3) Any forgivable loan recipient who fails to perform social  
33 work services under the employment of the agreed eligible social work  
34 services provider is responsible for repaying the loan plus accrued interest  
35 at eight percent (8%) annually; and

36 (4)(A) Forgivable loan recipients may receive loan repayment

1 credit for social work services performed while under the employment of the  
2 agreed eligible social work services provider at any time during the  
3 scheduled repayment period.

4 (B) However, such repayment credit shall be applicable  
5 only to the current principal and accrued interest balance that remains at  
6 the time the repayment credit is earned.

7 (C) No loan recipient shall be reimbursed for previous  
8 cash payments of principal and interest.

9 (f) This section shall be implemented only as specifically funded.

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11 /s/ L. Smith  
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