

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 1327*
Second Edition Engrossed 7/14/93

Short Title: Social Workers' Ed. Loan Fund.

(Public)

Sponsors: Representative Baddour.

Referred to: Health and Human Services.

May 10, 1993

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH THE SOCIAL WORKERS' EDUCATION LOAN FUND
3 AND TO APPROPRIATE FUNDS FOR ITS IMPLEMENTATION.

4 The General Assembly of North Carolina enacts:

5 Section 1. Effective July 1, 1994, Article 3 of Chapter 143B of the General
6 Statutes is amended by adding a new Part to read:

7 **"PART 4B. SOCIAL WORKERS' EDUCATION LOAN FUND.**

8 **"§ 143B-150.25. Social Workers' Education Loan Fund.**

9 (a) There is established in the Department of Human Resources the Social
10 Workers' Education Loan Fund within the Office of the Secretary, to attract trained
11 social workers into public child welfare positions in all county departments of social
12 services in the State. The Secretary shall administer the Fund in concert with the
13 Department's responsibility for supervising public child welfare service training for the
14 professional personnel rendering these services.

15 (b) The Secretary shall ensure that all students receiving funds pursuant to this
16 section meet the following eligibility criteria:

17 (1) All students shall be enrolled in an institution of higher education in
18 North Carolina in an accredited bachelors of social work or masters of
19 social work program;

20 (2) All students shall be residents of North Carolina. For purposes of this
21 section, residency shall be determined by the same standard as
22 residency for tuition purposes pursuant to G.S. 116-143.1;

- 1 (3) All students shall enter into a legal agreement with the Department to
2 accept employment in public child welfare in exchange for receiving
3 any funds, which agreement shall include stipulation that the student
4 agrees to to accept employment in rural or other need-based counties;
5 and
6 (4) Any additional criteria that the Secretary considers necessary to
7 administer the program effectively, including considering appropriate
8 numbers of minority students to receive funds pursuant to this section.
9 (c) The Secretary shall ensure that the loan amounts are limited as follows:
10 (1) For a student pursuing a bachelors of social work degree, four
11 thousand dollars (\$4,000) per year for a maximum of four years; and
12 (2) For a student pursuing a masters of social work degree, five thousand
13 dollars (\$5,000) per year for a maximum of two years.
14 (d) The Secretary shall ensure that the following loan cancellations and
15 repayment schedules apply to all funds distributed pursuant to this section:
16 (1) The individual who graduates with a bachelors of social work degree
17 or a masters of social work degree and who works for a public child
18 welfare agency in a rural or other need-based area of North Carolina
19 shall have that amount of the loan cancelled that is based on the
20 amount of time employed and the number of academic years funds
21 were received. One full year of employment shall cancel one
22 academic year's loan, whether four thousand dollars (\$4,000) or five
23 thousand dollars (\$5,000);
24 (2) The individual who graduates with a bachelors of social work degree
25 or a masters of social work degree and who works in public child
26 welfare in a rural or other need-based area of North Carolina for the
27 equivalent of the total number of academic years funds were received
28 shall have the entire loan cancelled;
29 (3) The individual who graduates with a bachelors of social work degree
30 or a masters of social work degree and who does not work in public
31 child welfare in a rural or other need-based area of North Carolina for
32 any or all of the equivalent of the number of years funds were received
33 shall repay the loan to the Department according to a schedule
34 prescribed by the Secretary, plus ten percent (10%) annual interest;
35 and
36 (4) The individual who does not graduate with a bachelors of social work
37 degree or a masters of social work degree shall repay the loan
38 according to a schedule prescribed by the Secretary, plus fifteen
39 percent (15%) annual interest.
40 The Secretary shall ensure that all repayments, including accrued interest, shall be
41 placed in the Fund.
42 (e) The Social Workers' Education Loan Fund established by this section shall
43 award loans for education beginning with the 1994-95 academic year."

1 Sec. 2. There is appropriated from the General Fund to the Department of
2 Human Resources the sum of one million dollars (\$1,000,000) for the 1994-95 fiscal
3 year to implement this act.