

SENATE BILL NO. 315

INTRODUCED BY J. COBB

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING LOAN REPAYMENT ASSISTANCE FOR MONTANA  
5 WORKERS WHO ARE IN SPECIFIED AREAS OF CRITICAL WORKER SHORTAGE; REQUIRING THE BOARD  
6 OF PUBLIC EDUCATION, IN CONSULTATION WITH THE DEPARTMENT OF LABOR, TO IDENTIFY CRITICAL  
7 WORKER SHORTAGE AREAS; PROVIDING A PREFERENCE IN LOAN REPAYMENT ASSISTANCE FOR  
8 WORKERS WHO ARE IN OCCUPATIONS OR REGIONS MOST IMPACTED BY CRITICAL WORKER  
9 SHORTAGES IF PROGRAM ELIGIBILITY EXCEEDS THE STATE APPROPRIATION; AND PROVIDING AN  
10 EFFECTIVE DATE."

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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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14 NEW SECTION. **Section 1. Worker loan forgiveness program.** There is a worker loan forgiveness  
15 program administered by the board of regents through the office of the commissioner of higher education. The  
16 program must provide for the direct repayment of educational loans of eligible workers in accordance with policies  
17 and procedures adopted by the board of regents pursuant to [sections 1 through 5].

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19 NEW SECTION. **Section 2. Critical worker shortage areas in Montana.** (1) The board of public  
20 education, in consultation with the department of labor, shall identify:

- 21 (a) geographic regions of the state that are impacted by critical worker shortages; and
- 22 (b) specific occupations that are impacted by critical worker shortages.

23 (2) A worker working in an impacted geographic region or a specific occupation is eligible for repayment of  
24 all or part of the worker's outstanding educational loans existing at the time of application in accordance with the  
25 eligibility and award criteria established under [sections 1 through 5].

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27 NEW SECTION. **Section 3. Loan repayment assistance.** Loan repayment assistance may be provided  
28 on behalf of a worker who:

- 29 (1) is employed full time in a geographic region described in [section 2(1)(a)] or in a specific occupation  
30 described in [section 2(1)(b)]; and

1 (2) has an educational loan that is not in default and that has a minimum unpaid current balance of at  
2 least \$1,000 at the time of application.

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4 **NEW SECTION. Section 4. Loan repayment assistance documentation.** (1) A worker shall submit  
5 an application for loan repayment assistance to the board of regents in accordance with policies and procedures  
6 adopted by the board of regents. The application must include official verification or proof of the applicant's total  
7 unpaid accumulated educational loan debt, the type of loan, and other documentation required by the board of  
8 regents that is necessary for verification of the applicant's eligibility.

9 (2) A worker is eligible for loan repayment assistance for up to a maximum of 4 years. The total annual  
10 loan repayment assistance for an eligible worker may not exceed \$3,000. The board of regents may require an  
11 eligible worker to provide documentation that the worker has exhausted repayment assistance from other federal,  
12 state, or local loan forgiveness, discharge, or repayment incentive programs.

13 (3) The board of regents may remit payment of the loan on behalf of the worker in accordance with the  
14 requirements of [sections 1 through 5] and policies and procedures adopted by the board of regents.

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16 **NEW SECTION. Section 5. Funding -- priorities.** (1) If the funding for [sections 1 through 5] in any  
17 year is less than the total amount for which workers qualify, the board of regents shall provide preference in the  
18 award of loan repayment assistance to workers working in the geographic regions OR SPECIFIC OCCUPATIONS that  
19 are most impacted by worker shortages identified as provided in [section 2].

20 (2) [Sections 1 through 5] may not be construed to require the provision of loan repayment assistance  
21 without an express appropriation for that purpose. [Sections 1 through 5] may not be construed to require loan  
22 repayment assistance for years prior to [the effective date of this section].

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24 **NEW SECTION. Section 6. Codification instruction.** [Sections 1 through 5] are intended to be codified  
25 as an integral part of Title 20, chapter 4, and the provisions of Title 20, chapter 4, apply to [sections 1 through 5].

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27 **NEW SECTION. Section 7. Effective date.** [This act] is effective July 1, 2007.

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