

# SENATE BILL REPORT

## SB 5950

As of March 5, 2019

**Title:** An act relating to creating the social work professional loan repayment program.

**Brief Description:** Creating the social work professional loan repayment program.

**Sponsors:** Senators Randall, Lovelett, O'Ban, Hasegawa, Kuderer, Nguyen and Wilson, C..

**Brief History:**

**Committee Activity:** Higher Education & Workforce Development: 2/19/19, 2/21/19 [DPS-WM, w/oRec].

**Ways & Means:** 2/25/19.

### Brief Summary of First Substitute Bill

- Establishes the Social Work Professional Loan Repayment Program for social workers or social service specialists employed by the Department of Children, Youth, and Families (DCYF) or at an entity providing social work services in the field of mental health and substance abuse.
- Makes social workers or social worker specialists eligible after two years of qualified service.
- Allows eligible social workers or social worker specialists to receive up to \$50,000 in loan repayment funds spread over a maximum of ten years.

## SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

**Majority Report:** That Substitute Senate Bill No. 5950 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Palumbo, Chair; Randall, Vice Chair; Holy, Ranking Member; Brown, Liias and Wellman.

**Minority Report:** That it be referred without recommendation.

Signed by Senator Ericksen.

**Staff:** Kellee Gunn (786-7429)

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

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## SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Daniel Masterson (786-7454)

**Background:** Social Workers in Washington State. A person may only use the designation of social worker if the person is licensed by Department of Health as a social worker, or has graduated with at least a bachelor's degree from a social work educational program accredited by the Council on Social Work Education. Licensure is dependent on education and experience. According to the Bureau of Labor Statistics, among types of social workers, the most common are child, family, and school social workers and health care social workers.

Public Service Loan Forgiveness. The Public Service Loan Forgiveness Program is a federal program that forgives the remaining balance on direct loans after participants have made 120 monthly payments under a qualifying repayment plan while working full-time for a qualifying employer. Qualifying employers include governmental organizations and non-profit organizations.

Health Professionals Loan Repayment Program. The Office of Student Financial Assistance within the Washington Student Achievement Council currently administers the Health Professionals Loan Repayment Program. The program awards state funds up to \$75,000 with a minimum three-year service obligation. In 2016, approximately 100 health professionals worked in underserved areas of Washington as a result of this program. Since 1990, the program has funded over 1000 professionals serving in 38 Washington counties, and demand continues to exceed funding available.

**Summary of Bill (First Substitute):** The Social Work Professional Loan Repayment Program is established for social workers or social service specialists employed by DCYF and social workers employed at an entity providing social work services in the field of mental health and substance abuse. Social workers or social service specialists are eligible to participate in the loan repayment program after two years of employment as a social worker or social service specialist at DCYF or at an entity providing social work services in the field of mental health and substance abuse.

Each participant is eligible for quarterly or more frequent loan payments, and a maximum lifetime award of \$50,000 for a maximum of ten years or until the loan is repaid.

Repayment on an eligible participant's loans will be until either the loan is repaid, the participant leaves qualifying service, or the award limits are reached.

The Office of Student Financial Assistance (OSFA) at the Washington Student Achievement Council will administer the Social Work Professional Loan Repayment Program. OSFA must verify all social work professionals who are eligible to participate, adopt rules governing the program, and coordinate with stakeholders to publicize the program and maximize participation. OSFA may also accept grants and donations from public and private sources for the program.

The Social Work Professional Loan Repayment Program Fund is created in the custody of the state treasurer.

**EFFECT OF CHANGES MADE BY HIGHER EDUCATION & WORKFORCE DEVELOPMENT COMMITTEE (First Substitute):**

- Extends the social worker loan repayment program to social workers employed at an entity providing social work services in the field of mental health and substance abuse; and
- Adds the term "social service specialists" to those who qualify for the social worker loan repayment program in employment at DCYF.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Proposed Substitute (Higher Education & Workforce Development):** *The committee recommended a different version of the bill than what was heard.* PRO: DCYF social workers do some of the hardest work in state government. Our foster care system is in crisis. The burnout is high. Each time a social worker leaves, children suffer. Our foster care system is about stability. Tackling adverse childhood experiences earlier would help these individuals when they become adults. Child welfare workers must have a unique skill set to navigate the system, and deal with trauma. There are long unpredictable hours. Social workers in the private sector are offered more money for less hours of working. At times, my office has had turnover of over 50 percent. This will help retain workers and recruit skilled staff to do this work for the state. The financial burden of loan debt is problematic. Student loan repayment relief will help social workers and make a stronger, better work force.

**Persons Testifying (Higher Education & Workforce Development):** PRO: Senator Emily Randall, Prime Sponsor; Jeanette Obelcz, Washington Federation of State Employees; Nolan Manion, Washington Federation of State Employees.

**Persons Signed In To Testify But Not Testifying (Higher Education & Workforce Development):** No one.

**Staff Summary of Public Testimony on First Substitute (Ways & Means):** PRO: Being a CPS investigator has given me the chance to truly make a difference in the lives of children and families that I work with, however the financial burden of student loan debt has prevented me and many of my colleagues from truly serving our communities to the best of our abilities. It is also prevented some workers from being able to stay in their positions with DCYF which has real consequences for children. For every new caseworker a child has permanency delayed on average by six months. My office at times the same turnover as high as 50 percent. In order to obtain my degree and my licensure, I had to amass almost \$100,000 in student loan debt and I am not an outlier among my colleagues. I have been paying on my loans for over a decade and my statement shows every month that I have barely made a dent into my principal balance. The incredible debt load has led to many of

my highly qualified coworkers to leave state employment for other jobs that pay more or that offer student debt relief. It has also steered prospective social workers into other fields or towards other employers. Recruitment and retention issues include the burden of student debt to get or maintain credentials. New hires come and do not earn enough to maintain a living and keep up with the pressures of their student debt. This bill will help relieve the financial burden for the social workers of this state who are doing one of the toughest and hardest jobs ever.

**Persons Testifying (Ways & Means):** PRO: Mike Yestramski, Washington Federation of State Employees; Kara Hafkey, Washington Federation of State Employees; Patricia Loving, Washington Federation of State Employees.

**Persons Signed In To Testify But Not Testifying (Ways & Means):** No one.