

**SSB 5847 - S AMD 1027**

By Senator Liiias

**PULLED 02/09/2022**

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature recognizes that our  
4 country faces a student loan debt crisis. Nationally, Americans owe  
5 \$1.73 trillion in student loans. In Washington state, about 767,300  
6 student loan borrowers owe nearly \$27.4 billion of outstanding debt,  
7 more than \$35,700 per borrower on average.

8 (2) Student loan debt is a multigenerational issue that affects  
9 borrowers of all ages and jeopardizes millions of families' long-term  
10 financial security. While student loan balances have risen for all  
11 age groups, older borrowers have seen the largest increase. Student  
12 loan defaults rise with the borrower's age, and parents and  
13 grandparents take on debt to help their children and grandchildren  
14 pay for their education. Borrowers are increasingly defaulting on  
15 their debts, resulting in income garnishment and deductions from  
16 federal tax refunds or social security payments.

17 (3) The legislature further recognizes that the federal  
18 government offers and provides loan forgiveness for individuals who  
19 have worked in a public service job full time and have made  
20 qualifying payments towards their student loans. Unfortunately, the  
21 eligibility criteria to qualify for this program has been complex,  
22 leading to low approval rates for individuals who would otherwise  
23 qualify. By providing more public awareness of this program, the  
24 legislature intends to help alleviate the student loan debt burden of  
25 those who have committed their lives to public service.

26 (4) It is the intent of the legislature to do the following:

27 (a) Develop materials to increase awareness of the federal public  
28 service loan forgiveness program;

29 (b) Create a program for state agencies to certify employment for  
30 the purpose of the public service loan forgiveness program;

31 (c) Have public service employers collaborate on a statewide  
32 initiative to improve access and remove barriers to the public

1 service loan forgiveness program for all public service employees in  
2 the state; and

3 (d) Acknowledge the work done outside the classroom by part-time  
4 academic employees, allowing for those hours to be counted towards  
5 the definition of full time for the public service loan forgiveness  
6 program as set forth in 34 C.F.R. Sec. 685.219.

7 NEW SECTION. **Sec. 2.** A new section is added to chapter 28B.77  
8 RCW to read as follows:

9 (1) The student loan advocate, established in RCW 28B.77.007,  
10 shall develop, and update annually as necessary, materials designed  
11 to increase awareness of the public service loan forgiveness program.  
12 Materials include, at a minimum:

13 (a) A standardized letter for public service employers to send to  
14 their employees briefly summarizing the public service loan  
15 forgiveness program, information about what eligible employees are  
16 required to do in order to benefit from the program, and how an  
17 eligible employee may contact their student loan servicer for  
18 additional resources;

19 (b) A detailed fact sheet describing the public service loan  
20 forgiveness program, including the official website address  
21 maintained by the United States department of education for the  
22 program and contact information for the student loan advocate; and

23 (c) A document containing frequently asked questions about the  
24 public service loan forgiveness program.

25 (2) The student loan advocate shall coordinate with the office of  
26 financial management, the secretary of state, local governmental  
27 entities, and other relevant agencies and public service employer  
28 entities to ensure that public service employers receive materials  
29 developed in subsection (1) of this section.

30 (3) For purposes of this section, the definitions in this  
31 subsection apply:

32 (a) "Public service employer" includes the following:

33 (i) Any governmental entity including state, county, city, or  
34 other local government entity including political subdivisions, such  
35 as office, department, independent agency, school district, public  
36 college or university system, public library system, authority, or  
37 other body including the legislature and the judiciary;

1 (ii) Any employer that has received designation as a tax-exempt  
2 organization pursuant to Title 26 U.S.C. Sec. 501(c)(3) of the  
3 federal internal revenue code of 1986, as amended;

4 (iii) Any other entities identified as a public service job in  
5 Title 20 U.S.C. Sec. 1087e(m).

6 (b) "Public service loan forgiveness program" means the federal  
7 loan forgiveness program established pursuant to Title 20 U.S.C. Sec.  
8 1087e(m) and 34 C.F.R Sec. 685.219.

9 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.41  
10 RCW to read as follows:

11 (1) The office shall:

12 (a) Develop a program for state agencies to certify employment  
13 for the purposes of the public service loan forgiveness program by  
14 July 1, 2023.

15 (b) Assist the student loan advocate in creating and distributing  
16 materials designed to increase awareness of the public service loan  
17 forgiveness program set forth in section 1 of this act.

18 (c) Collaborate with the student achievement council, the  
19 employment security department, the department of retirement systems,  
20 nonprofit entities, local government representatives, and other  
21 public service employers in developing a statewide initiative to  
22 improve access and remove barriers to the public service loan  
23 forgiveness program for all public service employees. The program  
24 established for state agencies in this section and the certification  
25 process in section 4 of this act may be considered in the development  
26 of the initiative. A plan for a statewide initiative must be  
27 developed and submitted to the higher education committees of the  
28 legislature by December 1, 2024, in compliance with RCW 43.01.036.

29 (2) For purposes of this section, the definitions in this  
30 subsection apply:

31 (a) "Certifying employment" means either completing the employer  
32 sections of the public service loan forgiveness form or sharing data  
33 directly with the United States department of education that  
34 corresponds to the information required for the public service loan  
35 forgiveness form, as allowed by the United States department of  
36 education.

37 (b) "Public service employer" includes the following:

38 (i) Any governmental entity including state, county, city, or  
39 other local government entity including political subdivisions, such

1 as office, department, independent agency, school district, public  
2 college or university system, public library system, authority, or  
3 other body including the legislature and the judiciary;

4 (ii) Any employer that has received designation as a tax-exempt  
5 organization pursuant to Title 26 U.S.C. Sec. 501(c)(3) of the  
6 federal internal revenue code of 1986, as amended;

7 (iii) Any other entities identified as a public service job in  
8 Title 20 U.S.C. Sec. 1087e(m).

9 (c) "Public service loan forgiveness program" means the federal  
10 loan forgiveness program established pursuant to Title 20 U.S.C. Sec.  
11 1087e(m) and 34 C.F.R. Sec. 685.219.

12 (d) "State agency" or "agency" means departments, offices,  
13 agencies, or institutions of state government, the legislature,  
14 institutions of higher education, school districts, and educational  
15 service districts.

16 NEW SECTION. **Sec. 4.** A new section is added to chapter 41.04  
17 RCW to read as follows:

18 (1) As soon as available, a state agency shall provide the  
19 materials described in section 2 of this act in written or electronic  
20 form to:

21 (a) All employees annually;

22 (b) Newly hired employees within 30 days of the employee's first  
23 day of employment.

24 (2) A state agency must certify employment for the purposes of  
25 the public service loan forgiveness program in accordance with the  
26 program established in section 3 of this act by July 1, 2023.

27 (a) If a state agency does not directly certify employment with  
28 the United States department of education, the state agency must  
29 annually provide notice of renewal and a copy of the public service  
30 loan forgiveness form with employer information and employment  
31 certification sections of the form already completed reflecting at  
32 least the last 12 months of employment to:

33 (i) An employee who requests a public service loan forgiveness  
34 form;

35 (ii) Any current employee for whom the state agency has  
36 previously certified employment, unless the employee has opted out;  
37 and

38 (iii) An employee who has separated from service or employment,  
39 unless the employee has opted out.

1 (b) A state agency shall not unreasonably delay in certifying  
2 employment.

3 (c) A state agency must seek permission from its employees prior  
4 to certifying their employment.

5 (d) Institutions of higher education must use the calculation  
6 established in section 5 of this act to determine whether a part-time  
7 academic employee is considered full time for the public service loan  
8 forgiveness program.

9 (e) A state agency may send the information necessary for public  
10 service loan forgiveness employment certification to the United  
11 States department of education, or its agents, if the United States  
12 department of education permits public service employers to certify  
13 employment for past or present individual employees or groups of  
14 employees directly, notwithstanding other provisions of law.

15 (f) The office of financial management is authorized to adopt  
16 rules for the purpose of this section.

17 (3) An employee of a state agency may opt out of the employment  
18 certification process established in section 3 of this act at any  
19 time.

20 (4) For purposes of this section, the definitions in this  
21 subsection apply:

22 (a) "Certifying employment" means either completing the employer  
23 sections of the public service loan forgiveness form or sharing data  
24 directly with the United States department of education that  
25 corresponds to the information required for the public service loan  
26 forgiveness form.

27 (b) "Full time" has the same meaning as set forth in 34 C.F.R.  
28 Sec. 685.219.

29 (c) "Public service employer" includes the following:

30 (i) Any governmental entity including state, county, city, or  
31 other local government entity including political subdivisions, such  
32 as office, department, independent agency, school district, public  
33 college or university system, public library system, authority, or  
34 other body including the legislature and the judiciary;

35 (ii) Any employer that has received designation as a tax-exempt  
36 organization pursuant to Title 26 U.S.C. Sec. 501(c)(3) of the  
37 federal internal revenue code of 1986, as amended;

38 (iii) Any other entities identified as a public service job in  
39 Title 20 U.S.C. Sec. 1087e(m).

1 (d) "Public service loan forgiveness program" means the federal  
2 loan forgiveness program established pursuant to Title 20 U.S.C. Sec.  
3 1087e(m) and 34 C.F.R. Sec. 685.219.

4 (e) "State agency" or "agency" means departments, offices,  
5 agencies, or institutions of state government, the legislature,  
6 institutions of higher education, school districts, and educational  
7 service districts.

8 NEW SECTION. **Sec. 5.** A new section is added to chapter 41.04  
9 RCW to read as follows:

10 For the purpose of determining whether a part-time academic  
11 employee at an institution of higher education is considered full  
12 time for certifying employment for the public service loan  
13 forgiveness program, duties performed in support of, or in addition  
14 to, contractually assigned in-class teaching hours must be included.  
15 To calculate this, each hour of in-class teaching time shall be  
16 multiplied by 3.35 hours. This section shall not supersede any  
17 calculation or adjustment established by a collective bargaining  
18 agreement or employer policy for additional work done outside of in-  
19 class teaching. An institution of higher education shall not treat  
20 any adjusted total hours worked differently from hours worked without  
21 an adjustment when determining whether an employee is full time.  
22 "Institution of higher education" has the same meaning as  
23 "institutions of higher education" in RCW 28B.10.016.

24 NEW SECTION. **Sec. 6.** This act is necessary for the immediate  
25 preservation of the public peace, health, or safety, or support of  
26 the state government and its existing public institutions, and takes  
27 effect immediately."

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28 On page 1, line 2 of the title, after "program;" strike the  
29 remainder of the title and insert "adding a new section to chapter  
30 28B.77 RCW; adding a new section to chapter 43.41 RCW; adding new  
31 sections to chapter 41.04 RCW; creating a new section; and declaring  
32 an emergency."

EFFECT: Clarifies that OFM must develop the statewide program for state agencies to certify employment for the purposes of PSLF by July 1, 2023.

Removes the effective date for section 4 making the requirements for state agencies to provide materials on PSLF and certify employment for the purposes of PSLF go into effect immediately.

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