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**SUBSTITUTE SENATE BILL 6259**

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**State of Washington**

**65th Legislature**

**2018 Regular Session**

**By** Senate Higher Education & Workforce Development (originally sponsored by Senators Ranker, Darneille, Palumbo, Keiser, McCoy, Llias, Kuderer, and Saldaña)

READ FIRST TIME 01/26/18.

1 AN ACT Relating to creating the social work professional loan  
2 repayment program; amending RCW 43.79A.040; and adding a new chapter  
3 to Title 28B RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** It is the intent of the legislature to  
6 incentivize social workers to enter into and continue in state  
7 service. Annual turnover is over twenty percent statewide for child  
8 welfare workers and over thirty percent in some regions. Repeated  
9 turnover has direct costs and indirect costs such as low morale,  
10 increased workloads, and the impact of relative inexperience on  
11 outcomes of safety, permanence and well-being. Consistent social  
12 worker assistance to families creates better outcomes and increases  
13 family reunification. The cost of achieving their professional  
14 credential requirements can result in a social worker having an  
15 educational debt burden greater than their annual salary. Over eighty  
16 percent of social workers have student debt and the pressure to pay  
17 this debt while caring for at-risk children in crisis can be a major  
18 barrier to retaining social workers. In addition, educational debt  
19 has been identified as a deterrent to students entering into public  
20 service careers.

1        NEW SECTION.        **Sec. 2.**        Unless the context clearly requires  
2 otherwise, the definitions in this section apply throughout this  
3 chapter.

4        (1) "Eligible expenses" means reasonable expenses associated with  
5 the costs of acquiring an education such as tuition, books,  
6 equipment, fees, room and board, and other expenses determined by the  
7 office.

8        (2) "Forgiven," "to forgive," or "forgiveness" means to render  
9 social work services as a state of Washington employee.

10       (3) "Loan repayment" means a loan that is paid in full or in part  
11 if the participant renders social work services on behalf of the  
12 state of Washington.

13       (4) "Office" means the office of student financial assistance.

14       (5) "Participant" means a social work professional who has  
15 received a loan repayment award and commenced practice as a social  
16 worker.

17       (6) "Program" means the social work professional loan repayment  
18 program.

19       (7) "Required service obligation" means an obligation by the  
20 participant to provide social work services on behalf of the state of  
21 Washington department of social and health services children's  
22 administration or the state of Washington department of children,  
23 youth, and families for a period to be established as provided for in  
24 this chapter.

25       (8) "Satisfied" means paid in full.

26       (9) "Social worker" means a person who is licensed under RCW  
27 18.225.090(1)(a) or qualified under chapter 18.320 RCW.

28       NEW SECTION.        **Sec. 3.**        The social work professional loan  
29 repayment program is established for social work professionals. The  
30 program shall be administered by the office. In administering this  
31 program, the office shall:

32       (1) Verify social work professionals who are eligible to  
33 participate in the program;

34       (2) Adopt rules and develop guidelines to administer the program;

35       (3) Coordinate with the office of financial management state  
36 human resources division, professional associations, and the student  
37 achievement council to publicize the program, particularly to  
38 maximize participation among individuals in shortage areas and among

1 populations expected to experience the greatest growth in the  
2 workforce; and

3 (4) Accept grants and donations from public and private sources  
4 for the program.

5 NEW SECTION. **Sec. 4.** (1) Social workers employed by the  
6 department of social and health services children's administration or  
7 department of children, youth, and families are eligible to  
8 participate in the program two years after commencing their  
9 employment as a social worker for either agency.

10 (2) Each participant is eligible for:

11 (a) Quarterly or more frequent payments, not to exceed one  
12 thousand twelve hundred fifty dollars, or the monthly equivalent  
13 payment, as determined by the office, subject to the best use of the  
14 funds and continued eligibility for the program; and

15 (b) A maximum lifetime award of fifty thousand dollars, for up to  
16 a maximum of ten consecutive years, until the loan is repaid.

17 (3) Repayment of loans under this program shall begin no later  
18 than ninety days after the individual has become a participant.  
19 Payments shall be made quarterly, or more frequently if deemed  
20 appropriate by the office, to the participant until:

21 (a) The loan is repaid;

22 (b) The participant becomes ineligible due to discontinued  
23 service as a social worker on behalf of the department of social and  
24 health services children's administration or department of children,  
25 youth, and families; or

26 (c) The award limits specified in subsection (2) of this section  
27 are reached.

28 (4) The payments in subsection (3) of this section will be for  
29 the full amount of the loans paid by the participant during the prior  
30 period.

31 (5) Should the participant discontinue service in a social work  
32 profession, payments against the participant's loans shall cease to  
33 be effective on the date the participant discontinues service.

34 (6) The office shall not be held responsible for any outstanding  
35 payments on principal or interest to any lenders once a participant's  
36 eligibility expires.

37 (7) Loans from federal government sources may be repaid by the  
38 program.

1 (8) Participants shall allow the office access to loan records  
2 and to acquire information from lenders necessary to verify  
3 eligibility and to determine payments.

4 (9) Loans may not be renegotiated with lenders to accelerate  
5 repayment.

6 (10) The office shall establish an appeal process by rule.

7 NEW SECTION. **Sec. 5.** A pilot program is established for up to  
8 ten embedded social workers to participate in the social work loan  
9 repayment program. At least five of the embedded social workers must  
10 be selected from each side of the Cascade mountain range. Embedded  
11 social workers are eligible to participate in the pilot program two  
12 years after commencing their employment as a social worker with a  
13 state or local law enforcement agency. The office shall develop  
14 criteria and select eligible participants for the pilot program. Each  
15 participant in the pilot program is eligible for the benefits defined  
16 in section 4(2) of this act or for the duration of the pilot program,  
17 whichever comes first. Eligible participants must adhere to the  
18 repayment guidelines defined in section 4 (3) through (9) of this  
19 act. The pilot program shall conclude June 30, 2023.

20 NEW SECTION. **Sec. 6.** A pilot program is established for up to  
21 ten mental health professionals as defined in RCW 18.225.010(3) or  
22 social workers employed by local governments to participate in the  
23 social work loan repayment program. At least five of the mental  
24 health professionals or social workers must be selected from a county  
25 on the east side of the Cascades and at least five must be selected  
26 from the west side of the Cascades. Mental health professionals or  
27 social workers are eligible to participate in the pilot program two  
28 years after commencing their employment as a mental health  
29 professional or social worker with a local government. The office  
30 shall develop criteria and select eligible participants for the pilot  
31 program. Each participant in the pilot program is eligible for the  
32 benefits defined in section 4(2) of this act or for the duration of  
33 the pilot program, whichever comes first. Eligible participants must  
34 adhere to the repayment guidelines defined in section 4 (3) through  
35 (9) of this act. The pilot program shall conclude June 30, 2023.

36 NEW SECTION. **Sec. 7.** The office may grant loan repayment to  
37 eligible participants from the funds appropriated for this purpose or

1 from any private or public funds given to the office for this  
2 purpose. Funds appropriated for the program, including reasonable  
3 administrative costs, may be used by the office for the purposes of  
4 loan repayments.

5 NEW SECTION. **Sec. 8.** The social work professional loan  
6 repayment program fund is created in custody of the state treasurer.  
7 Any funds appropriated by the legislature for the social work  
8 professional loan repayment program or any other public or private  
9 funds intended for loan repayments under this program shall be placed  
10 in the program fund created by this section. All receipts from the  
11 program shall be deposited into the program fund. Only the office, or  
12 its designee, may authorize expenditures from the program fund. The  
13 program fund is subject to allotment procedures under chapter 43.88  
14 RCW, but no appropriation is required for expenditures.

15 **Sec. 9.** RCW 43.79A.040 and 2017 3rd sp.s. c 5 s 89 are each  
16 amended to read as follows:

17 (1) Money in the treasurer's trust fund may be deposited,  
18 invested, and reinvested by the state treasurer in accordance with  
19 RCW 43.84.080 in the same manner and to the same extent as if the  
20 money were in the state treasury, and may be commingled with moneys  
21 in the state treasury for cash management and cash balance purposes.

22 (2) All income received from investment of the treasurer's trust  
23 fund must be set aside in an account in the treasury trust fund to be  
24 known as the investment income account.

25 (3) The investment income account may be utilized for the payment  
26 of purchased banking services on behalf of treasurer's trust funds  
27 including, but not limited to, depository, safekeeping, and  
28 disbursement functions for the state treasurer or affected state  
29 agencies. The investment income account is subject in all respects to  
30 chapter 43.88 RCW, but no appropriation is required for payments to  
31 financial institutions. Payments must occur prior to distribution of  
32 earnings set forth in subsection (4) of this section.

33 (4)(a) Monthly, the state treasurer must distribute the earnings  
34 credited to the investment income account to the state general fund  
35 except under (b), (c), and (d) of this subsection.

36 (b) The following accounts and funds must receive their  
37 proportionate share of earnings based upon each account's or fund's  
38 average daily balance for the period: The 24/7 sobriety account, the

1 Washington promise scholarship account, the Gina Grant Bull memorial  
2 legislative page scholarship account, the Washington advanced college  
3 tuition payment program account, the Washington college savings  
4 program account, the social work professional loan repayment program  
5 fund, the accessible communities account, the Washington achieving a  
6 better life experience program account, the community and technical  
7 college innovation account, the agricultural local fund, the American  
8 Indian scholarship endowment fund, the foster care scholarship  
9 endowment fund, the foster care endowed scholarship trust fund, the  
10 contract harvesting revolving account, the Washington state combined  
11 fund drive account, the commemorative works account, the county  
12 enhanced 911 excise tax account, the toll collection account, the  
13 developmental disabilities endowment trust fund, the energy account,  
14 the fair fund, the family and medical leave insurance account, the  
15 food animal veterinarian conditional scholarship account, the forest  
16 health revolving account, the fruit and vegetable inspection account,  
17 the future teachers conditional scholarship account, the game farm  
18 alternative account, the GET ready for math and science scholarship  
19 account, the Washington global health technologies and product  
20 development account, the grain inspection revolving fund, the  
21 industrial insurance rainy day fund, the juvenile accountability  
22 incentive account, the law enforcement officers' and firefighters'  
23 plan 2 expense fund, the local tourism promotion account, the low-  
24 income home rehabilitation revolving loan program account, the  
25 multiagency permitting team account, the northeast Washington wolf-  
26 livestock management account, the pilotage account, the produce  
27 railcar pool account, the regional transportation investment district  
28 account, the rural rehabilitation account, the Washington sexual  
29 assault kit account, the stadium and exhibition center account, the  
30 youth athletic facility account, the self-insurance revolving fund,  
31 the children's trust fund, the Washington horse racing commission  
32 Washington bred owners' bonus fund and breeder awards account, the  
33 Washington horse racing commission class C purse fund account, the  
34 individual development account program account, the Washington horse  
35 racing commission operating account, the life sciences discovery  
36 fund, the Washington state heritage center account, the reduced  
37 cigarette ignition propensity account, the center for childhood  
38 deafness and hearing loss account, the school for the blind account,  
39 the Millersylvania park trust fund, the public employees' and

1 retirees' insurance reserve fund, and the radiation perpetual  
2 maintenance fund.

3 (c) The following accounts and funds must receive eighty percent  
4 of their proportionate share of earnings based upon each account's or  
5 fund's average daily balance for the period: The advanced right-of-  
6 way revolving fund, the advanced environmental mitigation revolving  
7 account, the federal narcotics asset forfeitures account, the high  
8 occupancy vehicle account, the local rail service assistance account,  
9 and the miscellaneous transportation programs account.

10 (d) Any state agency that has independent authority over accounts  
11 or funds not statutorily required to be held in the custody of the  
12 state treasurer that deposits funds into a fund or account in the  
13 custody of the state treasurer pursuant to an agreement with the  
14 office of the state treasurer shall receive its proportionate share  
15 of earnings based upon each account's or fund's average daily balance  
16 for the period.

17 (5) In conformance with Article II, section 37 of the state  
18 Constitution, no trust accounts or funds shall be allocated earnings  
19 without the specific affirmative directive of this section.

20 NEW SECTION. **Sec. 10.** Sections 1 through 8 of this act  
21 constitute a new chapter in Title 28B RCW.

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