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H.334

Introduced by Representatives Anthony of Barre City, Branagan of Georgia,
Demrow of Corinth, Masland of Thetford, McCann of
Montpelier, Mulvaney-Stanak of Burlington, Ode of
Burlington, Taylor of Colchester, and Toleno of Brattleboro

Referred to Committee on

Date:

Subject: Education; postsecondary education; loans; public service loan
forgiveness

Statement of purpose of bill as introduced: This bill proposes to require
employers that are designated as a qualifying employer under the federal
Public Service Loan Forgiveness Program by the U.S. Department of
Education to credit at least 4.35 hours worked for each hour of credit or
classroom contact time for educator employees. It also proposes to require the
Vermont Student Assistance Corporation to develop materials designed to
promote and increase awareness of the federal Public Service Loan
Forgiveness Program, as well as require qualified employers to distribute the
materials.

19 An act relating to educator employment certification under the Public
20 Service Loan Forgiveness Program

1 It is hereby enacted by the General Assembly of the State of Vermont:

2 Sec. 1. 16 V.S.A. chapter 87, subchapter 6 is added to read:

3 Subchapter 6. Public Student Loan Forgiveness Employment Certification

4 § 2871. EMPLOYMENT CERTIFICATION

5 (a) Definitions. As used in this subchapter:

6 (1) “Certifying employment” means either completing the employer
7 sections of the Public Service Loan Forgiveness form or sharing data directly
8 with the U.S. Department of Education that corresponds to the information
9 required for the Public Service Loan Forgiveness form.

10 (2) “Employee” means someone who works for a public service
11 employer, regardless of whether the public service employer considers that
12 work to be full-time or part-time, contingent, or contracted, and receives a
13 Form W-2 from the employer.

14 (3) “Full-time,” for the purpose of certifying employment, means
15 working at least 30 hours per week or at least 30 hours per week throughout a
16 contractual or employment period of at least eight months in a 12-month
17 period, including elementary and secondary school teachers; provided,
18 however, if the U.S. Department of Education provides for a definition that
19 means fewer hours per week, that definition shall apply.

20 (4) “Public service employer” means any employer in the State who is
21 designated as a qualifying employer under the federal Public Service Loan

1 Forgiveness Program by the U.S. Department of Education, excluding any
2 federal or tribal nation government organization, agency, or entity. This term
3 shall include any State, county, city, or other local government employer,
4 including any office, department, independent agency, school district, public
5 institution of higher education, public library system, authority, or other body,
6 including the General Assembly and the Judiciary. This term also includes any
7 employer that qualifies as a tax-exempt organization under 26 U.S.C.
8 § 501(c)(3).

9 (5) “Public Service Loan Forgiveness form” means the form used by the
10 U. S. Department of Education to certify an individual’s employment at a
11 public service organization and determine eligibility for the purposes of the
12 Public Service Loan Forgiveness Program.

13 (6) “Public Service Loan Forgiveness Program” means the federal loan
14 forgiveness program established under 20 U.S.C. § 1087e(m).

15 (b) Hours worked.

16 (1) For the purposes of certifying employment for the Public Service
17 Loan Forgiveness Program for educator employees, a public service employer
18 shall credit at least 4.35 hours worked for each hour of credit or classroom
19 contact time, regardless of when the hours were worked, including hours
20 worked on or after October 1, 2007. The provisions of this subsection shall not
21 supersede any greater adjustment factor established by a collective bargaining

1 agreement, employer policy in recognition of additional work associated with
2 lecture or classroom time, or rules promulgated by the U.S. Department of
3 Education related to the calculation of hours worked for the purposes of
4 certifying employment for the Public Service Loan Forgiveness Program, and
5 shall have no other applicability for public service employers and their
6 employees.

7 (2) When determining whether an employee is considered full-time for
8 the purpose of certifying employment for the Public Service Loan Forgiveness
9 Program only, a public service employer shall not treat any adjusted total hours
10 worked pursuant to this section differently from hours worked without an
11 adjustment factor.

12 (3) For the purpose of certifying employment only, a public service
13 employer shall consider as full-time any employee who satisfies the definition
14 of full-time pursuant to subdivision (a)(3) of this section.

15 (4) A public service employer shall adopt a policy of maximizing the
16 amount of time for which an employee's employment can be considered full-
17 time. Nothing in this section shall require a public service employee to
18 increase the number of contracted hours for which an employee is paid.

19 (5) A postsecondary school shall treat as a continuous employment
20 period any consecutive academic terms for which an employee teaches,
21 regardless of whether such hours are taught pursuant to separate employment

1 contracts and regardless of whether such academic terms are separated by
2 routine academic vacation, to the extent that doing so maximizes the amount of
3 time for which an employee's employment can be considered full-time.

4 (c) Certification.

5 (1) In the event that the U.S. Department of Education permits public
6 service employers to certify employment for past or present individual
7 employees or groups of employees directly with the Department or its agents,
8 notwithstanding any other provision of law, a public service employer shall be
9 permitted to send to the Department or its agents the information necessary for
10 employment certification.

11 (2) In the event that a public service employer does not directly certify
12 employment with the U.S. Department of Education pursuant to subdivision
13 (1) of this subsection, the public service employer shall provide a copy of the
14 Public Service Loan Forgiveness form with the employer information and
15 employment certification sections of the form already completed to:

16 (A) a current or former employee who requests a Public Service Loan
17 Forgiveness form;

18 (B) a current employee, annually once the employer has provided
19 certification for the employee; and

20 (C) an employee who is ending the employee's work with the public
21 service employer, upon separation.

1 (3) A partially completed form shall reflect employment for the prior
2 12-month period and may reflect longer periods of employment, as necessary.

3 (4) A public service employer shall not unreasonably delay in certifying
4 employment.

5 (5) Nothing in this section shall prevent a public service employer
6 from seeking permission from its employees prior to certifying the employee's
7 employment.

8 (d) Notification.

9 (1) The Vermont Student Assistance Corporation shall develop and
10 update as necessary materials designed to promote and increase awareness of
11 the federal Public Service Loan Forgiveness Program. The Corporation may
12 use materials developed by other federal or State agencies. The materials shall
13 include:

14 (A) a standardized letter for public service employers to distribute to
15 their employees that briefly summarizes the Public Service Loan Forgiveness
16 Program, provides information about what eligible employees are required to
17 do in order to benefit from the Program, and recommends that eligible
18 employees contact their student loan servicer for additional resources;

19 (B) a detailed fact sheet describing the Public Service Loan
20 Forgiveness Program, including the official website addresses maintained by

1 the U.S. Department of Education for the Program and by the U.S. Department
2 of the Treasury for student loan borrower resources; and

3 (C) a document containing frequently asked questions about the
4 Public Service Loan Forgiveness Program.

5 (2) The Corporation shall coordinate with other State agencies and
6 offices as necessary to make the materials available to public service
7 employers as that term is defined in subsection (a) of this section.

8 (3) Each public service employer shall annually provide to all
9 employees the most recently available version of the materials required
10 pursuant to this subsection in hard copy or electronic form. In addition to
11 those materials, a public service employer shall provide a newly hired
12 employee with those same materials within 30 days following the employee's
13 first day of employment by mail, by electronic mail, or during an in-person
14 new employee orientation.

15 Sec. 2. EFFECTIVE DATES

16 (a) This section and, in Sec. 1, 16 V.S.A. § 2871(a)–(c) shall take effect on
17 July 1, 2023.

18 (b) In Sec. 1, 16 V.S.A. § 2871(d) shall take effect January on 1, 2024.