

HOUSE No. 1202**The Commonwealth of Massachusetts**

PRESENTED BY:

James Arciero

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act establishing a program for student loan forgiveness.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>James Arciero</i>	<i>2nd Middlesex</i>	<i>1/15/2019</i>
<i>Mindy Domb</i>	<i>3rd Hampshire</i>	<i>1/30/2019</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>1/29/2019</i>
<i>Kenneth I. Gordon</i>	<i>21st Middlesex</i>	<i>1/29/2019</i>
<i>Edward J. Kennedy</i>	<i>First Middlesex</i>	<i>1/30/2019</i>
<i>Joseph D. McKenna</i>	<i>18th Worcester</i>	<i>1/29/2019</i>
<i>Michael O. Moore</i>	<i>Second Worcester</i>	<i>2/1/2019</i>
<i>Brian W. Murray</i>	<i>10th Worcester</i>	<i>2/1/2019</i>
<i>Brian W. Murray</i>	<i>10th Worcester</i>	<i>2/1/2019</i>
<i>Thomas M. Stanley</i>	<i>9th Middlesex</i>	<i>1/31/2019</i>
<i>José F. Tosado</i>	<i>9th Hampden</i>	<i>1/29/2019</i>
<i>Steven Ultrino</i>	<i>33rd Middlesex</i>	<i>1/29/2019</i>
<i>Jonathan D. Zlotnik</i>	<i>2nd Worcester</i>	<i>2/1/2019</i>

HOUSE No. 1202

By Mr. Arciero of Westford, a petition (accompanied by bill, House, No. 1202) of James Arciero and others for legislation to establish a student loan forgiveness program within the Massachusetts Educational Financing Authority. Higher Education.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 4934 OF 2017-2018.]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court
(2019-2020)

An Act establishing a program for student loan forgiveness.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 5 of chapter 15C of the General Laws, as appearing in the 2016
2 Official Edition, is hereby amended by inserting after the word “programs”, in line 61, the
3 following words:- , the program for student loan forgiveness established pursuant to section 30.

4 SECTION 2. Said chapter 15C of the General Laws is hereby amended by adding the
5 following section:

6 Section 30. (a) The authority shall establish a program for granting student loan
7 forgiveness awards consistent with the provisions of this section for the purpose of alleviating
8 the burden of federal student loan debt for recent college graduates in the commonwealth.

(b) To be eligible for an award under the program established pursuant to this section, an applicant shall: (i) have graduated from a high school located in the commonwealth or attended an approved program for a high school equivalency diploma in the commonwealth and received such high school equivalency diploma; (ii) have graduated and obtained an undergraduate degree from a college or university within the system of public institutions of higher education established in section 5 of chapter 15A during or after the academic year beginning in 2017 and ending in 2018; (iii) apply for the program within 2 years of obtaining such degree; (iv) be a participant in a federal income-driven repayment plan in which the payment amount is generally ten per cent of discretionary income; (v) be employed in the commonwealth; and (vi) meet the requirements set forth in subsections (c) and (d).

(c) (1) An applicant who is single whose annual income is less than \$50,000 shall be eligible to receive an award equal to 100 per cent of his or her monthly federal income-driven repayment plan payments for 24 months of repayment under the federal program. An applicant who is married shall be eligible to receive an award equal to 100 per cent of his or her monthly federal income-driven repayment plan payments for 24 months of repayment under the federal program if the joint annual income of the applicant and the applicant's spouse is less than \$100,000. For purposes of this subsection, "annual income" shall be measured by total adjusted gross income.

(2) The awards granted under the program shall be deferred for a recipient who has been granted a deferment or forbearance under the federal income-driven repayment plan. Upon completion of such deferment or forbearance period, such recipient shall be eligible to receive an award for the remaining time period under the program. A recipient who is not a resident of the commonwealth at the time any payment is made under the program shall be required to refund

such payments to the commonwealth. The authority may recover such payments in accordance with rules and regulations promulgated by the authority. A student who is delinquent or in default on an authority loan, education loan, or a loan made under any federal education loan program, or has failed to comply with the terms of a service condition imposed by an award made pursuant to this section or has failed to repay an award shall be ineligible to receive an award under the program until such delinquency, default or failure is cured.

(d) An applicant shall either: (i) have been a legal resident of the commonwealth for at least 1 year immediately prior to applying for an award pursuant to this section; or (ii) be a legal resident of the commonwealth and have been a legal resident of the commonwealth during the applicant's last 2 semesters of high school either prior to graduation, or prior to admission to college; provided, however that this residency eligibility requirement shall be waived for a member, or the spouse or dependent of a member, of the armed forces of the United States on full-time active duty and stationed in the commonwealth.

(e) The authority may promulgate rules and regulations necessary for the implementation of this section.