

Rules for Administration of Arkansas Rehabilitation Services Forgiveness of Student Loan Program Act 1275 of 2007

INTRODUCTION

Act 1275 of 2007, effective July 31, 2007, established the Arkansas Rehabilitation Services (ARS) Forgiveness of Student Loan Program (Program) to assist qualified current employees and newly-hired rehabilitation counselors employed by ARS with the repayment of student loans incurred while pursuing credentials that are required for employment.

The act provides that ARS shall administer the Program and promulgate rules for its administration. ~~Note: This act will expire June 30, 2009.~~

PROVISIONS OF ACT 1275 OF 2007

Eligibility

An ARS rehabilitation counselor shall be eligible for the Program who

1. Satisfactorily completes the probationary employment period, as certified by the Commissioner of Arkansas Rehabilitation Services ~~on or after July 31, 2007, up to and including June 29, 2009;~~
2. Provides proof of an unpaid student loan, including the name and address of the creditor; and
3. Agrees contractually to
 - a. Work for ARS for a term that equals two (2) years for each year that the Program makes a payment on the counselor's student loan; and
 - b. Reimburse the Program the full amount of any loan payment(s) made under the Program in the event that the counselor resigns his position with ARS or is terminated by ARS for cause before the term of the contract expires.

Payments Under the Program

All payments made under the Program shall be made directly to the counselor's student loan creditor.

Loan payments may not exceed two thousand dollars (\$2,000.00) per fiscal year.

Loan payments made for any counselor may not exceed ten thousand dollars (\$10,000).

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RULES

1. A counselor must complete the ARS six-month new-employee probationary period. ~~on or after July 31, 2007 in order to be eligible to participate in the Program.~~
2. An eligible counselor who wishes to apply to participate in the Program shall submit to ~~Human Resources~~ Program Director.
 - a. A completed Student Loan Program Request form (Appendix A)
 - b. An original statement and/or correspondence from the student loan creditor, dated within 30 days of the request. The proof of loan document must indicate the original loan disbursement dates.
 - c. A completed Student Loan Program ~~Contract~~ Agreement (Appendix B), signed by the requesting counselor and his immediate supervisor. In the contract, the counselor will agree to
 - i. Remain in the employ of ARS for a term that equals two (2) years for each year that the Program makes a payment on the counselor's student loan; and
 - ii. Reimburse the Program the full amount of any loan payment(s) made under the Program in the event that the counselor resigns his position with ARS or is terminated by ARS for cause before the term of the contract expires.
3. A loan eligible for the Program must have been incurred in the pursuit of a master's degree in rehabilitation counseling, or a comparable degree as recognized by RSA and ~~psychology, sociology, or social work~~ required for employment with ARS.
4. The amount of payment(s) made directly to the counselor's student loan creditor may not exceed two thousand dollars (\$2,000.00) per year.
5. ~~In the event the authorization for the Program is extended beyond the June 30, 2009 expiration date,~~ Cumulative loan payments made for any counselor may not exceed the lesser of ten thousand dollars (\$10,000.00) or the amount of the balance due on the loan.