

State of Arkansas  
93rd General Assembly  
Regular Session, 2021

# A Bill

HOUSE BILL 1200

By: Representative J. Mayberry  
By: Senators K. Hammer, J. English

## For An Act To Be Entitled

AN ACT TO AMEND THE ARKANSAS REHABILITATION SERVICES  
FORGIVENESS OF STUDENT LOAN PROGRAM; TO CLARIFY  
REQUIREMENTS FOR ELIGIBILITY; AND FOR OTHER PURPOSES.

## Subtitle

TO AMEND THE ARKANSAS REHABILITATION  
SERVICES FORGIVENESS OF STUDENT LOAN  
PROGRAM; AND TO CLARIFY REQUIREMENTS FOR  
ELIGIBILITY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 25-30-206 is amended to read as follows:

25-30-206. Arkansas Rehabilitation Services Forgiveness of Student  
Loan Program.

(a) There is established the Arkansas Rehabilitation Services  
Forgiveness of Student Loan Program to assist ~~counselors employed by~~ eligible  
employees of Arkansas Rehabilitation Services with the repayment of student  
loans.

(b)(1) The program shall be administered by Arkansas Rehabilitation  
Services.

(2) Arkansas Rehabilitation Services shall promulgate rules ~~for~~  
~~determining a counselor's eligibility for a loan under the program that~~  
~~shall include the following requirements:~~

~~(A) Satisfactory completion of any probationary employment~~  
~~period;~~



~~(B) Proof of a student loan that remains unpaid, including the name and address of the creditor; and~~

~~(C) An executed employment contract in which the counselor agrees to:~~

~~(i) Work for Arkansas Rehabilitation Services 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 payments made under the program if the counselor resigns or is terminated for cause before the term of the contract terminates.~~

~~(3) The amount of the payment to be made directly to the counselor's student loan creditor may not exceed:~~

~~(A) Two thousand dollars (\$2,000) per year; or~~

~~(B) Ten thousand dollars (\$10,000) per employee regarding eligibility, payment, and program management consistent with this section.~~

(c) An employee of Arkansas Rehabilitation Services is required to satisfy the following in order to be eligible for the program:

(1) Completion of a six-month probationary period, beginning with the first day of employment with Arkansas Rehabilitation Services;

(2) Provision of proof that the employee incurred student loan debt for purposes of obtaining a degree in the field of vocational rehabilitation, including without limitation the name and address of the student loan creditor;

(3) Provision of proof that the student loan is unpaid at the time the employee applies for the program; and

(4) Execution of a contract in which the employee agrees that Arkansas Rehabilitation Services is not obligated to issue further payments under the program if the employee resigns or is terminated for cause while participating in the program.

(d) Payments under the program are made directly to the employee's student loan creditor and are subject to the following limitations:

(1) A payment shall be issued in installments not to exceed two thousand dollars (\$2,000);

(2) An eligible employee is required to have been continually employed by Arkansas Rehabilitation Services for the two (2) years prior to issuance of an installment in order to receive the installment; and

(3) An eligible employee may receive no more than ten thousand dollars (\$10,000) or up to five (5) installments under the program.

(e) The total payments to all employees under the program shall not exceed eighty thousand dollars (\$80,000) per fiscal year.

**APPROVED: 3/8/21**