

TEACH Grant Proposed Regulatory Language: Amendatory Format

X. Section 686.2 is amended by:

A. In paragraph (d), adding in alphabetical order, a definition of the term "Education Service Agency".

B. In paragraph (d), revising the definition of "School serving low-income students."

The revisions read as follows:

§686.2 Definitions

(d) ***

Educational Service Agency means a regional public multiservice agency authorized by State statute to develop, manage, and provide services or programs to local educational agencies, as defined in section 9101 of the Elementary and Secondary Education Act of 1965, as amended.

School or educational service agency serving low-income students (low-income school): An elementary or secondary school or educational service agency that-

(1) Is in the school district of an LEA that is eligible for assistance pursuant to title I of the ESEA;

(2) Has been determined by the Secretary to be a school or educational service agency in which more than 30 percent of the school's or educational service agency's total enrollment is made up of children who qualify for services provided under title I of the ESEA; and

(3) Is listed in the Department's Annual Directory of Designated Low-Income Schools for Teacher Cancellation Benefits. The Secretary considers all elementary and secondary schools and educational service agencies operated by the Bureau of Indian Education (BIE) in the Department of the Interior or operated on Indian reservations by Indian tribal groups under contract or grant with the BIE to qualify as schools or educational service agencies serving low-income students.

X. Section 686.11 is amended by revising paragraph (d) to read as follows:

§686.11 Eligibility to receive a grant.

(d) Students who received a total and permanent disability discharge on a TEACH Grant Agreement to Serve or a title IV, HEA loan. (1) If a student's previous TEACH Grant service obligation or title IV, HEA loan was discharged based on total and permanent disability, the student is eligible to receive a TEACH Grant if the student—

(i) Obtains a certification from a physician that the student is able to engage in substantial gainful activity as defined in 34 CFR 685.102(b);

(ii) Signs a statement acknowledging that neither the new service obligation for the TEACH Grant the student receives nor any previously discharged service agreement on which the grant recipient is required to resume repayment in accordance with paragraph (d)(1)(iii) of this section can be discharged in the future on the basis of any impairment present when the new grant is awarded, unless that impairment substantially deteriorates and the grant recipient applies for and meets the eligibility requirements for a discharge in accordance with 34 CFR 685.213; and

(iii) If the student receives a new TEACH Grant within three years of the date that any previous TEACH Grant service obligation or title IV loan was discharged due to a total and

permanent disability in accordance with §686.42(b), 34 CFR 685.213(b)(2)(ii), 34 CFR 674.61(b)(3)(i), or 34 CFR 682.402(c), acknowledges that he or she is once again subject to the terms of the previously discharged TEACH Grant agreement to serve in accordance with §686.42(b)(5) before receiving the new grant or resumes repayment on the previously discharged loan in accordance with §685.213(b)(4), 34 CFR 674.61(b)(5), or 34 CFR 682.402(c)(5) unless the grant recipient's impairment substantially deteriorates and the grant recipient applies for and meets the eligibility requirements for a discharge in accordance with 34 CFR 685.213.

X. Section 686.12 is amended by:

A. In paragraph (b)(1)(i), adding the words "or a low-income educational service agency" immediately after the word "school".

B. In paragraph (b)(2), adding the words "or educational service agency" immediately after the word "school".

C. Revising paragraph (d) to read as follows:

§686.12 Agreement to Serve.

(d) Majoring and serving in a high-need field. In order for a grant recipient's teaching service in a high-need field listed in the Nationwide List to count toward satisfying the recipient's service obligation, the high-need field in which he or she prepared to teach must be listed in the Nationwide List for the State in which the grant recipient begins teaching in that field-

(1) At the time the grant recipient begins teaching in that field; or

(2) For teaching service performed on or after July 1, 2010, at the time the grant recipient begins teaching in that field or when the grant recipient signed the agreement to serve or received the Grant.

§686.32 [Amended]

X. Section 686.32 is amended by:

A. In paragraph (a)(3)(ii), adding the words "and low-income educational service agencies" after the word "schools".

B. In paragraph (a)(3)(iii)(B), adding the words "or when the grant recipient signed the agreement to serve or received the grant" immediately after the word "field" at the end of the sentence.

C. In paragraph (c) (4) (iii), adding the words "and low-income educational service agencies after the word "schools".

D. In paragraph (c) (4) (iv) (B), adding the words "or when the grant recipient signed the agreement to serve or received the grant" after the word "field" at the end of the sentence.

E. In paragraph (c) (4) (v), adding the words "or for a low-income educational service agency immediately after the words "low-income school".

X. Section 686.40 is amended by revising paragraphs (b) and (f) to read as follows:

§686.40 Documenting the service obligation.

(b) If a grant recipient is performing full-time teaching service in accordance with the agreement to serve, or agreements to serve if more than one agreement exists, the grant recipient must, upon completion of each of the four required elementary or secondary academic years of teaching service, provide to the Secretary documentation of that teaching service on a form approved by the Secretary and certified by the chief administrative officer of the school or educational service agency in which the grant recipient is teaching. The

documentation must show that the grant recipient is teaching in a low-income school or low-income educational service agency. If the school or educational service agency at which the grant recipient is employed meets the requirements of a low-income school or low-income educational service agency in the first year of the grant recipient's four elementary or secondary academic years of teaching and the school or educational service agency fails to meet those requirements in subsequent years, those subsequent years of teaching qualify for purposes of this section for that recipient.

(f) A grant recipient who taught in more than one qualifying school or more than one qualifying educational service agency during an elementary or secondary academic year and demonstrates that the combined teaching service was the equivalent of full-time, as supported by the certification of one or more of the chief administrative officers of the schools or educational service agencies involved, is considered to have completed one elementary or secondary academic year of qualifying teaching.

X. Section 686.42 is amended by revising paragraph (b) to read as follows:

§686.42 Discharge of agreement to serve.

(b) Total and permanent disability. (1) A grant recipient's agreement to serve is discharged if the recipient becomes totally and permanently disabled, as defined in 34 CFR 682.200(b), and the grant recipient applies for and satisfies the eligibility requirements for a total and permanent disability discharge in accordance with 34 CFR 685.213.

2) If, at any time the Secretary determines that the grant recipient does not meet the requirements of the three-year period following the discharge in 34 CFR 685.213(b)(7), the Secretary notifies the grant recipient that the grant recipient's obligation to satisfy the terms of the agreement to serve is reinstated.

(3) The Secretary's notification under paragraph (b)(2) of this section will -

(i) Include the reason or reasons for reinstatement;

(ii) Provide information on how the grant recipient may contact the Secretary if the grant recipient has questions about

the reinstatement or believes that the agreement to serve was reinstated based on incorrect information;

(iii) Inform the grant recipient that interest accrual will resume on TEACH Grant disbursements made prior to the date of the discharge; and

(iv) Inform the TEACH Grant recipient that he or she must satisfy the service obligation within the portion of the eight year period that remained after the date of the discharge.

X. Section 686.43 is amended by revising paragraph (a) (1) to read as follows:

§686.43 Obligation to repay the Grant.

(a)***

(1) The grant recipient, regardless of enrollment status, requests that the TEACH Grant be converted into a Federal Direct Unsubsidized Loan because he or she has decided not to teach in a qualified school or educational service agency, or in a high-need field, or for any other reason;
