

**DEPARTMENT OF EDUCATION****34 CFR Part 611**

RIN: 1840-AC65

**Teacher Quality Enhancement Grants Program****AGENCY:** Office of Postsecondary Education, Department of Education.**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Acting Assistant Secretary for Postsecondary Education proposes regulations that would implement a requirement of section 204(e) of the Higher Education Act (HEA), as amended by the Higher Education Amendments of 1998. Section 204(a) requires that students in teacher preparation programs funded under the Teacher Recruitment Program must repay scholarships provided with program funds if they do not teach in high-need local educational agencies for the period of time for which they receive scholarship assistance. These proposed regulations also would extend the provisions implementing section 204(e) to any scholarships awarded to students in teacher preparation programs funded under the State and Partnership Programs authorized in sections 202 and 203 of the HEA.

**DATES:** We must receive your comments on or before December 6, 1999.

**ADDRESSEES:** All comments concerning these proposed regulations should be addressed to: Dr. Louis Venuto, Office of Policy, Planning, and Innovation, Office of Postsecondary Education, 400 Maryland Ave. SW, Washington, DC 20202-5131; Telephone: (202) 708-8847, or by FAX to: (202) 260-9272. If you prefer to send your comments through the Internet use the following address: [comments@ed.gov](mailto:comments@ed.gov)

You must include the term "Scholarship Repayment" in the subject line of your electronic message.

**FOR FURTHER INFORMATION CONTACT:** Dr. Louis Venuto, Higher Education Programs, Office of Postsecondary Education, Office of Policy, Planning, and Innovation, 400 Maryland Avenue, SW, Washington, DC 20202-5131; Telephone: (202) 708-8847. Inquiries also may be sent by e-mail to: [Louis\\_Venuto@ed.gov](mailto:Louis_Venuto@ed.gov) or by FAX to: (202) 260-9272. If you use a telecommunications device for the deaf (TDD), you may call the Federal Information Relay Service (FIRS) at 1-800-877-8339.

Individuals with disabilities may obtain this document in an alternate format (e.g., Braille, large print, audiotape, or computer diskette) on

request to the contact person listed in the preceding paragraph.

**SUPPLEMENTARY INFORMATION:****Invitation to Comment**

We invite you to submit comments regarding these proposed regulations.

We invite you to assist us in complying with the specific requirements of Executive Order 12866 and its overall requirement of reducing regulatory burden that might result from these proposed regulations. Please let us know of any further opportunities we should take to reduce potential costs or increase potential benefits while preserving the effective and efficient administration of the program.

During and after the comment period, you may inspect all public comments about these proposed regulations in the Department of Education, Teacher Quality Program Office, 1990 K Street NW, 6th floor, Washington, DC. Comments are available for inspection between the hours of 8:30 a.m. and 4 p.m., Eastern time, Monday through Friday of each week except Federal holidays.

**Assistance to Individuals With Disabilities in Reviewing the Rulemaking Record**

On request, we will supply an appropriate aid, such as a reader or print magnifier, to an individual with a disability who needs assistance to review the comments or other documents in the public rulemaking record for these proposed regulations. If you want to schedule an appointment for this type of aid, you may call (202) 205-8113 or (202) 260-9895. If you use a TDD, you may call the Federal Information Relay Service (FIRS) at 1-800-877-8339.

**General****Background**

On October 8, 1998, the President signed into law the Higher Education Amendments of 1998 (Pub. L. 105-244). Title II of this law addresses the Nation's need to ensure that new teachers enter the classroom prepared to teach all students to high standards by authorizing, as Title II of the Higher Education Act (HEA), Teacher Quality Enhancement Grants for States and Partnerships. The new Teacher Quality Enhancement Grants Program provides an historic opportunity to effect positive change in the recruitment, preparation, licensing, and on-going support of teachers in America.

The new Teacher Quality Enhancement Grants Program consists of three different competitive grant

programs: (1) The State Grants Program, which is designed to help States promote a broad array of improvements in teacher licensure, certification, preparation, and recruitment; (2) The Partnership Grants for Improving Teacher Preparation Program, which is designed to have schools of education, schools of arts and sciences, high-need local educational agencies (LEAs), and others work together to ensure that new teachers have the content knowledge and skills their students need of them when they enter the classroom; and (3) The Teacher Recruitment Program, which is designed to help schools and school districts with severe teacher shortages to secure the high-quality teachers that they need. Together, these programs are designed to increase student achievement by supporting comprehensive approaches to improving teacher quality.

In particular, the Teacher Recruitment Grants Program is designed to address a significant national need for recruiting, preparing, and hiring more individuals to become highly qualified teachers, especially in high-poverty communities. The Teacher Recruitment Grants—awarded either to States or to partnerships among high-need LEAs, teacher preparation institutions, and schools of arts and sciences—are designed to reduce shortages of highly qualified teachers in high-need school districts. In this regard, local partnerships between school districts and teacher preparation institutions have been found to be very effective at providing teachers for communities where they are most needed. The "grow your own" approach is also effective for these communities because individuals who are already members of a community are likely to remain there after they become teachers. The recruitment grants will allow individual communities to determine their needs for teachers and to recruit and prepare teachers who meet those needs. States also can play an important role in ensuring that high-need school districts are able to recruit highly qualified teachers, and can use recruitment grants to develop and implement effective mechanisms for doing so.

One key aspect of the Teacher Recruitment Grants Program is the availability of scholarships to students who are enrolled in teacher preparation programs at the grantee institutions of higher education (IHEs) (or at IHEs working with State Teacher Recruitment Program grantees), and who agree to teach in high-need school districts. As provided in section 204(e) of the HEA, in exchange for scholarship support recipients must agree to incur a

contractual obligation, under terms the Department establishes, to teach in high-need LEAs for a period equivalent to the period for which they receive the scholarship. This notice proposes the terms and conditions of this contractual agreement.

As explained more fully in this Notice of Proposed Rulemaking, scholarship recipients who do not meet this teaching obligation would have to repay the scholarship, accrued interest, and any costs of collection. Providing the Department the information it needs to determine when a recipient has met the service obligation and, alternatively, when a recipient needs to repay these sums, would become a shared responsibility of the institutions, scholarship recipients, and the high-need LEAs in which they will teach. IHEs and States that accept Teacher Recruitment Program grants would need to report to the Department the information that identifies the scholarship recipients and the amount of scholarships they receive. Students who receive scholarships would have certain reporting responsibilities that would begin upon graduation or withdrawal from the teacher training program and extend until they had fulfilled the service obligation or had repaid the scholarship, interest, and any costs of collection. Among other things, they would assume responsibility for having LEAs in which they teach after graduating from the teacher training programs provide the Department with basic employment information to confirm that they are fulfilling their service obligation.

Sections 202((d)(7) and 203(e)(4) of the HEA expressly permit recipients of State and Partnership grants to use program funds for activities that are authorized under the Teacher Recruitment Program. Hence, consistent with their approved applications, grantees of all three Teacher Quality Enhancement Grant programs may use program funds to provide scholarships to students attending teacher preparation programs who agree, upon graduation, to teach in high-need school districts. This Notice of Proposed Rulemaking would have the requirements governing scholarships provided under the Teacher Recruitment Program apply also to any scholarship provided under the State and Partnership Programs.

Finally, to receive scholarship assistance under any of the Teacher Quality Enhancement Grant programs, students do not need to be eligible for Federal student financial assistance provided under Title IV of the HEA. However, section 471 of the HEA does

require IHEs to include the amount of any Teacher Quality Program scholarship as available resources in determining the amount of student financial assistance that a student may receive under Title IV.

#### *Need To Regulate*

The Department announced the initial competition for grants under the State, Partnership, and Teacher Recruitment Programs in a notice published in the **Federal Register** on February 8, 1999 (64 FR 6139). The Department announced grant awards under the State and Teacher Recruitment Programs on July 28, 1999, and grant awards under the Partnership Program on September 7, 1999.

The need for these regulations is clear. Section 204(e) of the HEA directs the Secretary to establish requirements to ensure that recipients of scholarships provided under this program either teach, upon graduation, in a high-need LEA for a period equivalent to the period for which they received scholarship assistance, or repay the amount of the scholarships. Use of program funds for these scholarships is a centerpiece of the Teacher Recruitment Program strategy for addressing teacher shortages in high-need areas. Hence, without these regulations, recipients of Teacher Recruitment Program grants will lack the capacity to implement a financial incentive that is a key aspect of the program. Likewise, recipients of State and Partnership grants will be unable to implement key activities that depend upon the use of program funds for scholarships to those attending teacher preparation programs.

The February 8, 1999 Notice of Eligibility and Selection Criteria to govern the initial competitions under the three Teacher Quality Programs established a definition of "high-need LEA" (64 FR 6145). That notice also requires States and partnerships that receive initial Teacher Recruitment Program grant awards to work to place those receiving scholarships through this program in teaching positions in high-need schools of high-need LEAs (64 FR 6145). However, the February 8 notice did not establish (1) The terms and conditions that will govern the receipt of this scholarship assistance; (2) A specific requirement that scholarship recipients agree to teach in high-need schools of high-need LEAs as a condition of receiving scholarship assistance; (3) The applicability of these provisions to scholarships provided under the State, Partnership, or Teacher Recruitment Program; or (4) The responsibilities of the scholarship

recipients, teacher preparation programs in which they are enrolled, and the LEAs in which they later teach, to provide information to the Department that it needs to properly administer the scholarship program.

Therefore, regulations now are needed to establish requirements for scholarships under the Teacher Recruitment Program in areas such as—

- Whether all those provided scholarships with Teacher Recruitment Program funds should have to meet their service obligations by teaching in high-need schools of high-need LEAs;
- The definition of a "high-need LEA" and a "high-need school" in which scholarship recipients would need to teach in order to avoid responsibility for repaying their scholarships;

- How, in order to retain the financial assistance as a scholarship, the Department will calculate the period of time in which the scholarship recipient must teach in a high-need school of a high-need LEA;

- Conditions under which the Department may defer a scholarship recipient's service obligation;

- The amount of the scholarship recipient's indebtedness to the Federal government for failure to meet the service obligation, terms of repayment, and any limited circumstances under which the Department would discharge this indebtedness;

- The content of the scholarship agreement that the scholarship recipient would execute;

- The respective responsibilities of the scholarship recipient, teacher preparation program in which the recipient is enrolled, and the LEA in which he or she is later employed, to provide periodically to the Department basic employment and other information on the recipient until the Department has determined that the recipient has fulfilled the service obligation or has repaid the scholarship, interest, and any costs of collection; and

- Whether the rules governing the receipt of scholarships provided under the Teacher Recruitment Program should also apply to the receipt of scholarships that grantees provide under the State and Partnership Programs.

In issuing these proposed regulations, we have sought to keep administrative requirements and responsibilities that the public must bear as simple as possible. For example, while scholarship recipients are attending teacher preparation programs, grantees would only report to the Department on their status at the beginning of each

term. In addition, to confirm that scholarship recipients had met their service obligations, the application packages for the Teacher Recruitment Program available in February 1999 had proposed that grantees assume some responsibility to track recipients once they had graduated or withdrawn from the teacher training programs. Under these proposed regulations grantees would not have these responsibilities. They instead would shift to the scholarship recipients, the LEAs in which they teach, and the Department. Moreover, these proposed regulations and the scholarship agreement that would reflect them are consistent with the basic terms and conditions of other Department student financial assistance programs, such as the Federal Perkins Loan Program authorized in Title IV, part E, of the HEA.

The remainder of this section of this notice explains in more detail the regulations that the Department proposes to adopt for the Teacher Recruitment Program and, by extension, to the State and Partnership Programs as well.

#### *A. Definition of High-Need LEA and High-Need School*

Under these proposed regulations, individuals who are provided scholarships with Teacher Recruitment Program funds would first need to agree, upon graduation, to teach in a "high-need school" of a "high-need LEA" for at least a period of time that is equivalent to the period for which they received scholarship assistance. Proposed § 611.1, which includes definitions that would apply to the Teacher Quality Enhancement Grants Program as a whole, defines those high-need schools and high-need LEAs in which scholarship recipients must teach to meet their service obligations. These definitions would apply both to Fiscal Year 1999 funds that the Department awarded to States and partnerships in July 1999 under the initial Teacher Recruitment Program competition, and to funds that the Department will award under future competitions.

Under proposed § 611.1, a high-need school would be an elementary or secondary school that meets one of the following definitions:

1. A school that is located in an area in which 50 percent or more of the enrolled students are eligible for free and reduced lunch subsidies.

2. A school that has—

More than 34 percent of academic classroom teachers overall (across all academic subjects) who do not have a major, minor, or significant course work in their main assignment field; or

More than 34 percent of the main assignment faculty in two of the core-subject departments who do not have a major, minor, or significant work in their main assigned field.

**Note:** For purposes of the definition above—"Main assignment field" means the academic field in which teachers have the largest percentage of their classes.

"Significant course work" means four or more college- or graduate-level courses in the content area.

3. A school that has had an attrition rate among classroom teachers of 15 percent or more in the last three school years.

An LEA that serves at least one elementary or secondary school meeting one of these three tests would be a "high-need LEA."

As noted in the preceding section of this preamble, the February 8, 1999 rule governing the initial program competition (64 FR 6145) requires all Teacher Recruitment Program grantees (and any high-need LEAs that participate in their projects) to ensure that scholarship recipients are placed, to the extent possible, in high-need schools within the participating high-need LEAs. Consistent with this requirement, the definitions in § 611.1 of these proposed regulations would clarify that these high-need schools are schools in high-need LEAs that meet one or more of the three tests explained immediately above. Section 611.34(a)(1) would clarify that, as a condition of receiving scholarship assistance, a recipient must execute a binding agreement either to teach in a high-need school in a high-need LEA or repay the scholarship, interest, and any collection costs.

These proposed definitions of high-need LEA and high-need school differ in one respect from the definitions of these terms that we included in the February 8, 1999 rules (64 FR 6147) to govern the initial Teacher Quality program competitions. That notice provided that the first eligibility test would depend upon the school's having at least 40 percent of its enrolled students eligible for free lunch subsidies. As now proposed, the test would instead be whether at least 50 percent of the school's enrolled students are eligible for free and reduced lunch subsidies. The Department had adopted the former test because it then believed that this measure was the closest available proxy, for which LEAs would have data, for the definition of high-need LEA in section 201(b)(2)(A) of the HEA. Section 201(b)(2)(A) extends the definition of a high-need LEA to any LEA with at least one school located in an area with a high percentage of individuals from

families with incomes below the poverty line.

However, we have since determined that 40 percent eligibility of enrolled students for free lunch subsidies is a measure that is equivalent to nearly 50 percent eligibility of enrolled students for free and reduced lunch subsidies. For several reasons, this 50-percent test based on enrolled students eligible for free and reduced lunch subsidies is preferable to the existing 40 percent test based on eligibility for free lunch subsidies. First, this 50 percent eligibility test is itself the same measure that Congress recognizes, and most LEAs use, to determine a school's eligibility to operate as a "schoolwide program" under Title I of the Elementary and Secondary Education Act (ESEA). (See also the discussion of Title I schoolwide programs and targeted assistance programs in the following section of this notice.) Use of the 50-percent test here will promote a common definition of "high-poverty" in these two programs. Moreover, there is a strong convergence between the purposes of the Teacher Quality programs and the teaching needs of schools that are eligible to use their Title I, ESEA funds in schoolwide programs.

In particular, section 204 of the HEA requires states and partnerships that receive Teacher Recruitment Program grants to work collaboratively with specific high-need LEAs to recruit and train individuals who, upon graduation from teacher preparation programs, will help to address those LEAs' shortages of qualified teachers. Consistent with this statutory requirement, proposed § 611.40(d) would require each grantee that provides scholarship assistance under this program to work with high-need LEAs that participate in its project so that scholarship recipients are placed, to the extent possible, in high-need schools of those LEAs. Adapting the Title I, ESEA, schoolwide program criterion to Title II of the HEA will significantly reduce confusion among educators and scholarship recipients alike about schools in which recipients may teach and fulfill their service obligation.

#### *B. Relationship of Service Obligation to Conditions for Debt Forgiveness Under the Federal Perkins Loan Program*

Some Teacher Recruitment Program scholarship recipients also may be recipients of student loans provided under the Federal Perkins Loan Program. The Perkins Loan Program authorizes loan forgiveness for those who subsequently teach in certain schools receiving funds provided under

Title I, part A, of the ESEA. Hence, the Perkins Loan Program and the Title II, HEA, scholarship authority offer comparable incentives to individuals to become teachers in high-need schools. However, the incentives are not identical. We therefore believe that it would be useful to clarify in what schools graduates of teacher preparation programs who have received both forms of financial assistance must teach in order both to secure Perkins Program loan forgiveness and to meet their Teacher Recruitment Program service obligation.

Regulations governing the Perkins Loan Program in 34 CFR 674.54 identify the conditions under which an institution of higher education (IHE) providing a Federal Perkins loan must cancel up to 100 percent of a student's outstanding loan balance. In particular, they require cancellation of the loan for a student who teaches in a school that (1) is in an LEA that is eligible to receive funds under Title I, part A, of ESEA, and (2) the Secretary selects, based on a ranking of schools in the State by the State educational agency and a determination that more than 30 percent of the school's enrollment is comprised of Title I students. If a Federal Perkins loan recipient also has received a Teacher Recruitment Program scholarship, the individual will be able to avoid payment of the Perkins loan and repayment of the scholarship if the school has been designated for Perkins Program loan forgiveness and is a high-need school within a high-need LEA.

For the recipient, the key will be to confirm that the school is one that meets tests under both the Perkins Loan Program and Teacher Recruitment Program. The institution providing the Perkins loan will be able to identify for the recipient which Title I schools qualify for Perkins Program loan forgiveness. Then, through information obtained either directly from the IHE or from the administrative office of the LEA in which the scholarship recipient would teach, the recipient will be able to learn whether the school also meets a Teacher Recruitment Program definition of a high-need school. As the proposed regulations announced in this notice would offer three alternative definitions of high-need school, meeting any one of these three would suffice.

However, we believe that scholarship recipients likely would find it easiest to rely upon this proposed first definition—that a particular school have at least 50 percent of its enrolled students eligible for free and reduced lunch subsidies. This is because this proposed definition has such programmatic importance under Title I

of the ESEA that all LEAs will know which of their schools receiving Title I assistance meet this test.

In particular, this particular proposed definition of high-need LEA and high-need school is the same commonly used test of whether a school receiving Title I assistance may, under section 1114 of the ESEA operate as a schoolwide program. (Section 1114 of Title I provides that schools may do so if 50 percent or more of their students are from low-income families. Schools with lower percentages of students from low-income families may not operate as schoolwide programs; they may only operate as more traditional "targeted-assistance schools." Title I permits schools and LEAs to determine the percentage of students from low-income families, among other ways, by using a variety of methods. However, the eligibility of enrolled students for free and reduced lunch subsidies is by far the most widely used.)

Thus, any Title I school that (1) has been designated by the Secretary as one in which a teacher may receive Perkins Program loan forgiveness, and (2) also is eligible to operate as a Title I schoolwide program, would be one in which that teacher can meet the service obligation. Conversely, teaching in a Title I school that the Secretary designates under the Perkins Program, but which is not eligible to operate as a schoolwide program, would only qualify the teacher for Perkins Program loan forgiveness. It would not also enable the teacher to satisfy his or her Teacher Recruitment Program's service obligation unless the school met one of the other proposed definitions of a high-need school—more than 34 percent of the school's teachers teaching out-of-field, or a teacher attrition rate of at least 15 percent.

#### *C. Terms of the Scholarships—General*

Proposed § 611.34(a) provides that, before receiving scholarship assistance under the Teacher Recruitment Program, individuals would need to execute an agreement that embodies their service obligation. Sections 611.35–611.39 of these proposed regulations contain recipient repayment and informational requirements that would apply to these scholarships. Section 611.34(b) would have the scholarship agreements include these requirements, as the Secretary determines to be necessary.

**Note:** We have included a copy of the proposed scholarship agreement in Appendix A to this notice. This proposed agreement includes those provisions that, for scholarships provided with Teacher Recruitment Program funds, program

grantees would need to include in scholarship agreements they offer to individuals attending teacher preparation programs. The proposed agreement is included in Appendix A for information purposes only; while its terms reflect the content of the proposed regulations, the agreement itself would not be included as a regulation in the Code of Federal Regulations. Any written comment on the content of the proposed Agreement should be sent to the person listed in the PAPERWORK REDUCTION ACT OF 1995 section of this preamble. Any written comment on the proposed regulations themselves, whose terms the scholarship agreement would reflect, should be separately sent to the person listed in the ADDRESSES section of this preamble.

The provisions of proposed §§ 611.35–611.39 concern matters such as:

- The responsibilities of the scholarship recipient to teach in a high-need school of a high-need LEA once he or she is eligible to teach;
- How the period of time in which the scholarship recipient must teach in a high-need school of a high-need LEA would be determined;
- Conditions under which the scholarship recipient's service responsibility would be deferred;
- The amount of the scholarship recipient's indebtedness to the Federal government and terms of repayment, should the recipient not meet these conditions; and
- The responsibility of the scholarship recipient, either alone or through the high-need LEA in which he or she begins teaching after graduating from the teacher training program, periodically to provide employment and other information to the Department.

These provisions are similar to those used in other student financial assistance programs that the Department administers. However, given the relatively small size of the Teacher Recruitment Program, these provisions have been tailored to provide as much flexibility and as little administrative burden as possible.

#### *D. The Service Obligation*

More specifically, before receiving a scholarship under the Teacher Recruitment Program, an individual would need to sign an agreement both to—

- Begin to teach in a high-need school of a high-need LEA (as those terms are defined in § 611.1 of these proposed regulations) within six months of the date from which he or she completes a teacher training program, and
- Continue to teach in a high-need school of a high-need LEA for a period equivalent to at least the period of time

that the individual received the scholarship assistance;  
or to—

- Repay the Department the full amount of the scholarship assistance, interest, and any costs of collection.

Scholarship recipients who fail to complete the teacher preparation program would be required to repay the full amount of scholarship assistance that they receive, plus interest and any costs of collection. (Proposed § 611.40(a)(3) would require the IHE's teacher training program to establish policies for determining when to withdraw scholarship support for a student who does not remain in good academic standing, and when to re-negotiate the scholarship package over an extended period of time.)

#### *E. Length of the Service Obligation*

Proposed § 611.35 provides how the Secretary would calculate the period of the scholarship recipient's service obligation. Whether attending a teacher training program on a full- or part-time basis, a scholarship recipient would need to teach in a high-need school of a high-need LEA for a period that is comparable to the full-time equivalent period of time that the student received scholarship assistance. The Department would treat both the full academic year of the teacher training program, excluding summer, and the full academic year of the LEA, excluding summer and any intersession periods (for LEAs that operate year-round programs), as equivalent one-year periods.

**Example:** An individual receives a scholarship for the costs of attending a teacher training program on a part-time basis. While the program extends for two full years of coursework and clinical experience, the scholarship recipient is enrolled part-time, and completes the program in three years. The Secretary would consider the period for which the individual receives a scholarship as two academic years.

Upon graduating (and receiving two full years of scholarship support), the individual begins teaching half-time in a high-need school of a high-need LEA. If the individual continues to teach half-time, he or she would meet the program's service obligation by teaching in a high-need school of a high-need LEA for the standard contractual period of four school-years. This four-year period is equivalent to the two full school-years that a full-time teacher would teach.

As explained below in part I, "Recipient and LEA Reporting Requirements," a Teacher Recruitment Program grantee would be required to provide information to the Department that it needs to calculate the period of a scholarship recipient's service obligation. Specifically, the grantee

would need to provide the Department the length of time for which each recipient receives scholarship assistance converted to a full-time student equivalent relative to students taking a normal, full academic load. After graduating and beginning to teach, the scholarship recipient would have the high-need LEA in which he or she teaches provide the Department with comparable information on the recipient's employment relative to those who teach for the LEA on a full-time basis.

#### *F. Repayment*

Proposed § 611.36 contains provisions for repayment of the scholarship for failure to meet the service obligation. As explained in proposed § 611.36(a), a scholarship recipient who the Department determines has not met the scholarship's service obligation would become responsible for repaying the scholarship, along with accrued interest and costs, six months after the date he or she—

- (1) Completes the teacher training program;
- (2) Is no longer enrolled in that program; or
- (3) Is no longer employed as a teacher in a high-need school of a high-need LEA.

Proposed § 611.36(b) would require a recipient who fulfills some, but not all, of his or her service obligation to repay the amount of the scholarship that is proportionate to the unmet portion of the service obligation, along with accrued interest on this portion of the scholarship and costs of collection, if any.

**Example:** An individual receives a scholarship in the total amount of \$10,000 to attend a teacher preparation program for two academic years. The individual graduates from the program, and works in a high-need school of a high-need school district for one full school year. The individual then moves, and takes a teaching position in a school and school district that are not high-need.

The individual has fulfilled one-half of his or her service obligation. Therefore, the recipient must repay one-half of the scholarship, interest on this amount that begins to accrue six months after he or she graduated from the teacher preparation program, and any costs of collection.

Proposed § 611.36(c) would permit an individual who must repay the scholarship and accrued interest to obtain a payment schedule upon request. Consistent with the Department's practice for student financial assistance programs authorized in Title IV of the HEA, the Department generally would establish a minimum monthly payment of no less than \$50. Proposed § 611.36(e) also

would clarify that any minimum monthly payment must permit the full amount of scholarship and interest to be repaid within ten years of the date the recipient becomes responsible for repayment.

As included in proposed § 611.36(d), the Secretary would charge interest in accordance with 31 U.S.C. 3717 and 34 CFR part 30 on the unpaid balance that the scholarship recipient owes.

**Note:** For calendar year 1999, the rate of interest is five percent.

Except where a scholarship recipient does not fulfill the service obligation after receiving a deferment (see section G: "Deferment of the Service Obligation"), no interest would be charged for a period that precedes the date on which the scholarship recipient must begin repayment.

In this regard, proposed § 611.36(e) would provide that a recipient's failure to meet repayment or reporting requirements results in the recipient's being in non-compliance with its terms and so liable for repayment of the scholarship, interest and any costs of collection. Proposed § 611.36(f) would entitle the Department to take appropriate legal action to collect any indebtedness.

In proposing these requirements, we considered other periods of time—both longer and shorter than six months—between the time a recipient graduates or withdraws from the teacher preparation program and the time the service obligation or obligation to repay begins. In view of the various options proposed under which the service obligation may be deferred (see the following section of this notice), six months seems to offer recipients ample time to find employment in high-need schools of high-need LEAs or reconsider any decision to withdraw from the teacher preparation program.

#### *G. Deferment of the Service Obligation*

Recognizing that illness or other personal circumstances may create legitimate reasons for a scholarship recipient's inability to meet his or her service obligation, proposed § 611.37(b) identifies conditions under which the Department would defer a service obligation. These would include: Serious physical or mental disability that prevents or substantially impairs the scholarship recipient's employability as a teacher; an inability, despite due diligence, to pass a required teacher licensure or certification examination or otherwise secure employment as a teacher in a high-need school of a high-need LEA; membership in the armed forces of the United States on active duty for no more than three years; or other extraordinary

circumstances that the Secretary accepts.

For the student financial assistance programs authorized in Title IV of the HEA, the Department generally also offers loan deferment to those who participate in the Peace Corps, Americorps, or other national service. However, the express purpose of these Teacher Recruitment Program scholarships is to address the immediate teacher shortages of high-need LEAs by recruiting and training qualified individuals who will become teachers in their schools. Individuals who are unable or unwilling to accept these teaching positions after graduating from a teacher preparation program should not accept the scholarships.

Accordingly, we do not believe that these proposed regulations should make deferments of the service obligation available to scholarship recipients who choose to work in these other areas.

Proposed § 611.37(c) would provide that unless the Secretary determines otherwise, a scholarship recipient would apply to renew a deferment on a yearly basis. The Department intends to prepare guidance, which grantees and institutions offering scholarships would provide to scholarship recipients, on the kind of information the Department would expect to receive in any acceptable request for deferment of the service obligation. Proposed § 611.37(c) also would require a scholarship recipient to begin teaching in a high-need school of a high-need LEA within 60 days of the end of a deferment, or become liable for repaying the scholarship, accrued interest, and any costs of collection.

As provided in proposed § 611.37(d), interest would continue to accrue during periods in which the service obligation is deferred. However, the scholarship recipient would not be liable for this accrued interest if he or she fulfills the service obligation once the period of deferment has ended.

#### *H. Discharge of Repayment Responsibility*

Proposed § 611.38 would identify the very limited circumstances—death, and total and permanent physical or mental disability that prevents a scholarship recipient from teaching—in which the Secretary would cancel the responsibility to repay a scholarship and accrued interest for failure to fulfill the service obligation.

#### *I. Recipient and LEA Reporting Requirements*

The scholarship agreement also would clarify the recipient's responsibility, as a condition of receipt

of the scholarship, to ensure that the Department has the information it needs to administer the scholarship and payback provisions of the HEA. In particular, as noted in proposed § 611.39(a), within six months of the date a scholarship recipient graduates from a teacher preparation program, he or she would either—

- Have the high-need LEA in which he or she is employed provide the Department information that the Secretary may require that (1) identifies the scholarship recipient through such basic information as name, address, phone number, and social security number; (2) confirms that he or she is teaching in a high-need school of a high-need LEA; and (3) states whether the individual is teaching full- or part-time and, if part-time, the full-time equivalency of this teaching compared to the district's full-time teachers; or
- Submit to the Department, along with his or her home address, telephone number, and social security number (1) The required repayment; (2) A request to repay the obligation in installments; or (3) A request that the Secretary defer a required repayment, for reasons that the proposed regulations permit, along with a sufficient statement of justification.

**Note:** Before the scholarship recipient's graduation, the IHE in which the recipient is enrolled would provide him or her with written information that explains the information the LEA would need to submit to the Department for the first item above. This information would contain the elements that the Office of Management and Budget approves under the Paperwork Reduction Act. See the Paperwork Reduction Act of 1995 section of this preamble.

In this regard, we have included in Appendix B of this notice the information that we are proposing that an LEA provide each year until the Department has determined that the teacher has met his or her service obligation. The content of Appendix B is included for information purposes only; while its terms reflect the content of the proposed regulations, these terms would not be included as a regulation in the Code of Federal Regulations. Any written comment on the content of the proposed reporting instrument should be sent to the person listed in the Paperwork Reduction Act of 1995 section of this preamble. Any written comment on the proposed regulations themselves, whose terms the LEA reporting instrument would reflect, should be separately sent to the person listed in the ADDRESSES section of this preamble.

Proposed § 611.39(b)(1) would require scholarship recipients, who within six

months of graduation report (through their LEAs) that they are teaching in a high-need school of a high-need LEA, to have their LEAs also provide updated employment information at the end of the school year. Proposed § 611.39(b)(2) would require the recipient in subsequent years to have the LEA continue to provide this information until the Department notifies the recipient that he or she has fulfilled the service obligation. Proposed § 611.39(b)(3) offers to credit summer and intersession teaching in high-need schools of high-need LEAs toward the recipient's fulfillment of the service obligation.

Conversely, proposed § 611.39(c) would require those scholarship recipients who (1) Do not complete the teacher training program, or (2) Do not retain scholarships provided with program funds because of a failure to remain in good academic standing, to submit to the Department—

- The required repayment;
- A request to repay the obligation in installments; or
- A request that the Secretary defer a required repayment for reasons that the proposed regulations provide, along with a sufficient statement of justification.)

Proposed § 611.39(c) also would have the Department, upon receipt of this information, notify these individuals of the status of their obligation, and of any schedule under which they would need to repay their scholarship, interest, and any costs of collection.

Finally, Proposed § 611.39(d) would make the scholarship recipient's agreement to continue providing this information (or, if the recipient teaches in a high-need school, have the high-need LEA provide this information) an ongoing condition of the scholarship. In addition, until the Department has determined that the recipient either has met the service obligation or has repaid the full amount of scholarship, interest, and costs that are due, the recipient would need to ensure that the Department has a current home address and telephone number, and a current work address and telephone number.

#### *J. Responsibilities of Teacher Recruitment Program Grantees*

Section 611.40 of these proposed regulations would require each Teacher Recruitment Program grantee to undertake certain basic responsibilities with regard to scholarship recipients. These include:

- Ensuring that, before any prospective scholarship recipient executes a Teacher Recruitment Program scholarship agreement, the

individual understands its terms and conditions;

- Providing to the Department periodic information the Department needs to identify the scholarship recipient and the scholarship amount he or she received. This information includes (1) The amount of the scholarship provided with program funds; (2) The full-time equivalency (over each academic year) of the recipient's enrollment in the teacher training program for which he or she receives scholarship assistance; (3) The date of the scholarship recipient's graduation or withdrawal from the teacher preparation program; and (4) Whether the institution has withdrawn scholarship support because of a failure to maintain good academic standing.

- Providing the Department, after a scholarship recipient's graduation or withdrawal from the teacher preparation program, the original of the scholarship agreement that the recipient and the grantee (or its partnering IHE, if the grantee is not an IHE) had signed;

- Holding an exit conference with each scholarship recipient before the recipient's graduation or withdrawal from the teacher preparation program to review (1) The recipient's responsibilities under the scholarship agreement, and (2) The follow-up services that the institution will provide during the recipient's first three years of teaching.

- As required by section 204 of the Act, providing (a) scholarship recipients—both before and after graduation—with appropriate support and follow-up services, including job counseling and placement assistance, and (b) high-need LEAs with which the grantees collaborate with information about the terms and conditions of scholarships, and the availability of recipients to become teachers in their high-need schools. These support services are intended to help ensure that, upon graduation, scholarship recipients are able to secure teaching positions in these schools.

#### *K. Applicability of Proposed Regulations to State and Partnership Program Grantees*

As explained in the BACKGROUND section of this preamble, recipients of Title II, HEA, State and Partnership Program grants may conduct activities authorized under the Teacher Recruitment Program if these activities are described in their approved grant applications. Proposed § 611.42 would make the provisions governing scholarships awarded under the Teacher Recruitment Program also applicable to any scholarships awarded with funds

provided under these other two Teacher Quality Enhancement Grant programs.

#### **Goals 2000: Educate America Act**

The Goals 2000: Educate America Act (Goals 2000) focuses the Nation's education reform efforts on the eight National Education Goals and provides a framework for meeting them. Goals 2000 promotes new partnerships to strengthen schools and expands the Department's capacities for helping communities to exchange ideas and obtain information needed to achieve the goals.

These proposed regulations would address the National Education Goal that the Nation's teaching force will have the content knowledge and teaching skills needed to instruct all American students for the next century.

#### **Clarity of the Regulations**

Executive Order 12866 and the President's Memorandum of June 1, 1998 on "Plain Language in Government Writing" require each agency to write regulations that are easy to understand.

The Secretary invites comments on how to make these proposed regulations easier to understand, including answers to questions such as the following:

- Are the requirements in the proposed regulations clearly stated?
- Do the proposed regulations contain technical terms or other wording that interferes with their clarity?
- Does the format of the proposed regulations (grouping and order of sections, use of headings, paragraphing, etc.) aid or reduce their clarity?
- Would the proposed regulations be easier to understand if we divided them into more (but shorter) sections? (A "section" is preceded by the symbol "\$" and a numbered heading; for example, § 611.36 What are the consequences of a scholarship recipient's failure to meet the service obligation?)
- Could the description of the proposed regulations in the SUPPLEMENTARY INFORMATION section of this preamble be more helpful in making the proposed regulations easier to understand? If so, how?
- What else could we do to make the proposed regulations easier to understand?

Send any comments that concern how the Department could make these proposed regulations easier to understand to the person listed in the ADDRESSES section of the preamble.

#### **Regulatory Flexibility Act Certification**

The Secretary certifies that these proposed regulations would not have a significant economic impact on a

substantial number of small entities. Entities that would be affected by these regulations are IHEs and States that provide scholarship assistance under the Teacher Recruitment, State, and Partnership Programs; LEAs in which scholarship recipients teach upon graduation from IHE teacher preparation programs; and scholarship recipients. The information burden on each of these groups is minimal, and consists of reporting basic information that the IHE, LEA, or individual already has available. Individuals are not considered to be "small entities" under the Regulatory Flexibility Act. Hence, the final regulations would not have a significant impact on any entity because they would not impose excessive regulatory burden or require unnecessary Federal supervision. Rather, the regulations would impose minimal requirements to determine whether scholarship recipients are entitled to retain their scholarship assistance.

#### **Paperwork Reduction Act of 1995**

Proposed §§ 611.34—611.40 contain information collection requirements. Under the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), the Department of Education has submitted a copy of this notice and these sections to the Office of Management and Budget (OMB) for its review.

#### *Collection of Information: Teacher Quality Enhancement Grant Programs*

Recipients of scholarships provided with any Teacher Quality Enhancement Grant program funds would first execute a scholarship agreement with IHEs that are associated with grantee States or partnerships. These agreements would provide that, unless the Department defers the service obligation, the recipient would either (1) Fulfill the service obligation or (2) Repay to the Department the scholarship with interest and costs of collection, if any. The agreements also would describe how the Department would administer the service-obligation requirement, and identify the information the Department would need for this purpose from the recipient, program grantees, and high-need LEAs.

Beyond the need for an executed scholarship agreement, these proposed regulations would impose minimal additional information burden on program grantees, scholarship recipients and the LEAs in which they will teach in order to ensure that scholarship recipients meet their service obligations.

*Program grantees.* At the beginning of each school term, program grantees would provide the Department with



basic identifying on each scholarship recipient. This information would include items such as name, address, telephone number, date of birth and social security number, as well as the amount and term of the scholarship. (This information is the same as in Sections A and B of the Proposed Scholarship Terms and Conditions contained in the appendix A of this notice.) After the recipient's graduation from the teacher preparation program, the grantee would notify the Department of the date of the recipient's graduation and the total amount of scholarship provided to the recipient with program funds. In addition, should a recipient withdraw from the teacher preparation program during the school year, or lose a scholarship because of poor academic performance, the grantee would promptly notify the Department of the date of the individual's withdrawal from the program or loss of scholarship assistance. The grantee also would inform the Department of the total amount of program funds that the individual had received in scholarship assistance, and would provide the Department the original of all scholarship agreements that any scholarship recipient had executed.

**Scholarship recipients.** The recipient would have the LEA in which he or she becomes employed provide the Department information that (a) Identifies the school in which he or she teaches; (b) States whether the recipient is teaching full- or part-time; and (c) Confirms that the school and LEA are of "high-need" as defined by program regulations. (See the discussion immediately following in this section on "LEAs.") The scholarship recipient would continue to have the LEA provide this information until the Department notifies the recipient that he or she has fulfilled the service obligation. Consistent with section 204(e) of the HEA, the Department will use the information the LEA provides to determine whether the recipient needs to repay scholarship assistance and accrued interest and, where appropriate, to begin implementing debt collection procedures.

Alternatively, the scholarship recipient would either (1) Repay the scholarship, interest, and any costs of collection, (2) Request a repayment schedule, or (3) Request a deferment of the service obligation and explain why the deferment is appropriate.

**LEAs.** LEAs would provide the Department information to confirm that (1) The school and LEA in which the scholarship recipient teaches is "high need," and (2) The recipient is employed as a teacher full- or part-time (and if

part-time, the percentage of full-time equivalency). The LEA would provide this data at the beginning of the school year or term in which the recipient begins teaching. At the end of the school year, the LEA would provide the Department follow-up information that confirms the individual's employment status for the prior year (or term). In subsequent years the LEA would continue to provide this information to the Department until the Department notifies the scholarship recipient that he or she has fulfilled his or her service obligation, or the recipient no longer works for the LEA, whichever comes first.

Before graduating, the IHE awarding the scholarship would provide the scholarship recipient information on what data the LEA needs to provide the Department. The Department's proposal for this LEA data is contained in Appendix B of this notice.

We estimate annual reporting and recordkeeping burden for this collection of information to average approximately 0.6 hours for each of the 5,000 anticipated scholarship recipients, approximately 17.7 hours for each of the anticipated 75 IHEs and other program grantees, and approximately 2.5 hours for each of the anticipated 375 LEAs. This annual reporting and recordkeeping burden includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Thus, we estimate the total annual reporting and recordkeeping burden for this collection to be 5,408.5 hours.

If you want to comment on the information collection requirements, please send your comments to the Office of Information and Regulatory Affairs, OMB, room 10235, New Executive Office Building, Washington, DC 20503; Attention: Desk Officer for U.S. Department of Education. You may also send a copy of these comments to the Department representative named in the **ADDRESSES** section of this preamble.

We consider your comments on this proposed collection of information in —

- Deciding whether the proposed collection is necessary for the proper performance of our functions, including whether the information will have practical use;
- Evaluating the accuracy of our estimate of the burden of the proposed collection, including the validity of our methodology and assumptions;
- Enhancing the quality, usefulness, and clarity of the information we collect; and

- Minimizing the burden on those who must respond. This includes exploring the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology; e.g., permitting electronic submission of responses.

OMB is required to make a decision concerning the collections of information contained in these proposed regulations between 30 and 60 days after publication of this document in the **Federal Register**. Therefore, to ensure that OMB gives your comments full consideration, it is important that OMB receives the comments within 30 days of publication. This does not affect the deadline for your comments to us on the proposed regulations.

### Intergovernmental Review

This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document is intended to provide early notification of our specific plans and actions for this program.

### Assessment of Educational Impact

The Secretary particularly requests comments on whether these proposed regulations would require transmission of information that any other agency or authority of the United States gathers or makes available.

### Electronic Access to This Document

You may review this document, as well as all other Department of Education documents published in the **Federal Register**, in text or portable document format (PDF) on the World Wide Web at either of the following sites:

<http://ocfo.ed.gov/fedreg.htm>  
<http://www.ed.gov/news.html>

To use the PDF you must have the Adobe Acrobat Reader Program with Search, which is available free at either of these sites. If you have questions about using the PDF, call the U.S. Government Printing Office at (202) 512-1530 or, toll free, at 1-888-293-6498.

**Note:** The official version of the document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available on GPO Access at: <http://www.access.gpo.gov/nara/index.html>



**Program Authority:** 20 U.S.C. 1021 *et seq.* and 1024(e)

### List of Subjects in 34 CFR Part 611

Colleges and universities, Elementary and secondary education, Grant programs—education.

(Catalog of Federal Domestic Assistance Number 84.336: Teacher Quality Enhancement Grants Program)

Dated: October 28, 1999.

**Claudio R. Prieto,**

*Acting Assistant Secretary for Postsecondary Education.*

For the reasons stated in the preamble, the Secretary proposes to amend part 611 of Chapter VI of title 34 of the Code of Federal Regulations as follows:

### PART 611—TEACHER QUALITY ENHANCEMENT GRANTS PROGRAM

1. The authority citation for part 611 is revised to read as follows:

**Authority:** 20 U.S.C. 1021 *et seq.* and 1024(e), unless otherwise noted.

2. A new subpart A consisting of § 611.1 is added to read as follows:

#### Subpart A—General Provisions

##### § 611.1 What definitions apply to the Teacher Quality Enhancement Grants Program?

The following definitions apply to this part:

*High-need local educational agency (LEA)* means an LEA that meets one of the following definitions:

(a) An LEA with at least one school in which 50 percent or more of the enrolled students are eligible for free and reduced lunch subsidies.

(b) An LEA that has one school where—

(1) More than 34 percent of academic classroom teachers overall (across all academic subjects) do not have a major, minor, or significant course work in their main assignment field; or

(2) More than 34 percent of the main assignment faculty in two of the core-subject departments do not have a major, minor, or significant work in their main assigned field.

(c) An LEA that serves a school whose attrition rate among classroom teachers was 15 percent or more over the last three school years.

*High-need school* means an elementary or secondary school operated by a high-need LEA in which the school's students or teaching staff meet the elements in paragraph (a), (b), or (c) of the definition of a high-need LEA.

*Main assignment field* means the academic field in which teachers have the largest percentage of their classes.

*Significant course work* means four or more college- or graduate-level courses in the content area.

(Authority: 20 U.S.C. 1024(e))

3. A new subpart D consisting of §§ 611.34 through 611.40 is added to read as follows:

#### Subpart D—Teacher Recruitment Program

Sec.

611.30–.33 [Reserved]

611.34 Under what circumstances may an individual receive a scholarship of program funds to attend a teacher training program?

611.35 How does the Secretary calculate the period of the scholarship recipient's service obligation?

611.36 What are the consequences of a scholarship recipient's failure to meet the service obligation?

611.37 Under what circumstances may the Secretary defer a scholarship recipient's service requirement?

611.38 Under what circumstances does the Secretary discharge a scholarship recipient's obligation to repay for failure to meet the service obligation?

611.39 What are a scholarship recipient's reporting responsibilities?

611.40 What are a grantee's responsibilities for helping to implement the scholarship requirements?

#### Subpart D—Teacher Recruitment Program

§§ 611.30–611.32 [Reserved]

##### § 611.34 Under what circumstances may an individual receive a scholarship of program funds to attend a teacher training program?

(a) *General: The service obligation.* An individual, whom a grantee finds eligible to receive a scholarship funded by the Teacher Recruitment Program to attend a teacher preparation program, may receive the scholarship only after executing a binding agreement with the institution of higher education (IHE) offering the scholarship that, after completing the program, the individual will either—

(1) Teach in a high-need school of a high-need LEA for a period of time equivalent to the period for which the individual receives the scholarship; or

(2) Repay, as set forth in § 611.36, the Teacher Recruitment Program funds provided as a scholarship.

(b) *Content of the scholarship agreement.* To implement the service-obligation requirement, the scholarship agreement must include terms, conditions, and other information consistent with §§ 611.35–611.39 that the Secretary determines to be necessary.

(Authority: 20 U.S.C. 1024(e))

##### § 611.35 How does the Secretary calculate the period of the scholarship recipient's service obligation?

(a) *Calculation of period of scholarship assistance.* (1) The Secretary calculates the period of time for which a student received scholarship assistance on the basis of information provided by the grantee under § 611.40(b).

(2) The period for which the recipient received scholarship assistance is the period during which an individual enrolled in the teacher preparation program on a full-time basis, excluding the summer period, would have completed the same course of study.

(b) *Calculation of period needed to teach to meet the service obligation.* (1) The period of the scholarship recipient's service obligation is the period of the individual's receipt of scholarship assistance as provided in paragraph (a) of this section.

(2) The Secretary calculates the period that a scholarship recipient must teach in a high-need school of a high-need LEA in order to fulfill his or her service obligation by—

(i) Comparing the period in which the recipient received a scholarship as provided in paragraph (a) of this section with the information provided by the high-need LEA under § 611.39(a) and (b) on the period the recipient has taught in one of its high-need schools; and

(ii) Adjusting the period in which the recipient has taught in a high-need school to reflect the individual's employment, if any, as a teacher on a part-time basis relative to classroom teachers the LEA employs on a full-time basis under the LEA's standard yearly contract (excluding any summer or intersession period).

(c) The Secretary adjusts the period of a scholarship recipient's service obligation as provided in paragraph (b) of this section to reflect information the high-need LEA provides under § 611.39(a) and (b) that the scholarship recipient also has taught in a high-need school in a summer or intersession period.

(Authority: 20 U.S.C. 1024(e))

##### § 611.36 What are the consequences of a scholarship recipient's failure to meet the service obligation?

(a) *Obligation to repay: General.* (1) A scholarship recipient who does not fulfill his or her service obligation must—

(i) Repay the Department the full amount of the scholarship, including the principal balance, accrued interest, and any collection costs charged under paragraphs (c) and (d) of this section; or

(ii) Be discharged of any repayment obligation as provided in § 611.38.

(2) Unless the service obligation is deferred as provided in § 611.37 or the repayment requirement is discharged, the obligation to repay the amount provided in paragraph (a)(1) of this section begins six months after the date the recipient—

(i) Completes the teacher training program without beginning to teach in a high-need school of a high-need LEA; or

(ii) Is no longer enrolled in the teacher training program.

(3) The Secretary determines whether a scholarship recipient has fulfilled the service obligation on the basis of information that the Department receives as provided in § 611.39(a) and (b).

(b) *Obligation to Repay: Partial performance of the service obligation.*

(1) A scholarship recipient who teaches in a high-need school of a high-need school district for less than the period of his or her service obligation must repay—

(i) The amount of the scholarship that is proportional to the unmet portion of the service obligation;

(ii) Interest that accrues on this portion of the scholarship beginning six months after the recipient's graduation from the teacher preparation program; and

(iii) Costs of collection, if any.

(2) Unless the service obligation is deferred or the repayment requirement is discharged, the obligation to repay the amount provided in paragraph (b)(1) of this section begins six months after the date the recipient is no longer employed as a teacher in a high-need school of a high-need LEA.

(c) *Availability of payment schedule.*

(1) Upon request to the Secretary, the scholarship recipient may repay the scholarship and accrued interest according to a payment schedule that the Secretary establishes.

(2) A payment schedule must permit the full amount of the scholarship and accrued interest to be repaid within ten years. The minimum monthly payment is \$50 unless a larger monthly payment is needed to enable the full amount that is due to be paid within this timeframe.

(d) *Interest.* In accordance with 31 U.S.C. 3717 and 34 CFR part 30, the Secretary charges interest on the unpaid balance that the scholarship recipient owes. However, except as provided in § 611.37(d), the Secretary does not charge interest for the period of time that precedes the date on which the scholarship recipient is required to begin repayment.

(e) *Failure to meet requirements.* A scholarship recipient's failure to satisfy the requirements of §§ 611.35–611.39 in a timely manner results in the recipient being—

(1) In non-compliance with the terms of the scholarship;

(2) Liable for repayment of the scholarship and accrued interest; and

(3) Subject to collection action.

(f) *Action by reason of default.* The Secretary may take any action authorized by law to collect the amount of scholarship, accrued interest and collection costs, if any, on which a scholarship recipient obligated to repay under this section has defaulted. This action includes, but is not limited to, filing a lawsuit against the recipient, reporting the default to national credit bureaus, and requesting the Internal Revenue Service to offset the recipient's Federal income tax refund.

(Authority: 20 U.S.C. 1024(e))

**§ 611.37 Under what circumstances may the Secretary defer a scholarship recipient's service requirement?**

(a) Upon written request, the Secretary may defer a service obligation for a scholarship recipient who—

(1) Has not begun teaching in a high-need school of a high-need LEA as required by § 611.34(a); or

(2) Has begun teaching in a high-need school of a high-need LEA, and who requests the deferment within six months of the date he or she no longer teaches in this school.

(b) To obtain a deferment of the service obligation, the recipient must provide the Secretary satisfactory information of one or more of the following circumstances:

(1) Serious physical or mental disability that prevents or substantially impairs the scholarship recipient's employability as a teacher.

(2) The scholarship recipient's inability, despite due diligence (for reasons that may include the failure to pass a required teacher certification or licensure examination), to secure employment as a teacher in a high-need school of a high-need school LEA.

(3) Membership in the armed forces of the United States on active duty for a period not to exceed three years.

(4) Other extraordinary circumstances that the Secretary accepts.

(c) Unless the Secretary determines otherwise—

(1) A scholarship recipient must apply to renew a deferment of the service obligation on a yearly basis; and

(2) The recipient has 60 days from the end of the deferment period to begin teaching in a high-need school of a high-need LEA or become liable for

repayment of the scholarship, any accrued interest, and any costs of collection.

(d)(1) As provided in § 611.36(e), during periods for which the Secretary defers a scholarship recipient's service obligation, the scholarship recipient does not have an obligation to repay the scholarship. However, interest continues to accrue on the amount of the scholarship.

(2) If the scholarship recipient fulfills his or her service obligation after the end of the deferment, the Secretary waives the obligation to repay accrued interest.

(Authority: 20 U.S.C. 1024(e))

**§ 611.38 Under what circumstances does the Secretary discharge a scholarship recipient's obligation to repay for failure to meet the service obligation?**

(a) The Secretary discharges the obligation of a scholarship recipient to repay the scholarship, interest, and any costs for failure to meet the service obligation based on information acceptable to the Secretary of—

(1) The recipient's death; or

(2) The total and permanent physical or mental disability of the recipient that prevents the individual from being employable as a classroom teacher.

(b) Upon receipt of acceptable documentation and approval of the discharge request, the Secretary returns to the scholarship recipient, or for a discharge based on death to the recipient's estate, those payments received after the date the eligibility requirements for discharge were met. The Secretary returns these payments whether they are received before or after the date the discharge was approved.

(Authority: 20 U.S.C. 1024(e))

**§ 611.39 What are a scholarship recipient's reporting responsibilities?**

(a) *Upon graduation.* Within six months of graduating from a teacher preparation program, a scholarship recipient must either—

(1) Have the LEA in which the recipient is employed as a teacher provide the Department information, which the Secretary may require, to confirm—

(i) The home address, phone number, social security number, and other identifying information about the recipient;

(ii) That he or she is teaching in a high-need school of a high-need LEA; and

(iii) Whether the individual is teaching full- or part-time and, if part-time, the full-time equivalency of this teaching compared to the LEA's full-time teachers; or

(2) Provide the Department a current home address and telephone number, a work address and telephone number, the recipient's social security number, and one of the following:

(i) The required repayment of the scholarship.

(ii) A request that the Secretary permit the recipient to repay the scholarship and accrued interest in installments as permitted by § 611.36(c).

(iii) A request that the Secretary defer the service obligation as permitted by § 611.37.

(b) *Upon the close of the LEA's academic year.* (1) At the close of the LEA's academic year, a scholarship recipient—whose LEA reports under paragraph (a)(1) of this section that he or she is teaching in a high-need school of a high-need LEA—must have the LEA provide information to the Department as the Secretary may require that confirms the recipient's actual employment status for the preceding period.

(2) In subsequent school years, the recipient must have the LEA continue to provide information to the Department on the recipient's employment as the Secretary may require, until the Department notifies the recipient that the service obligation has been fulfilled.

(3)(i) The Secretary provides a scholarship recipient with credit toward the service obligation for teaching in a high-need school of a high-need LEA during a summer or intersession period (for LEAs that operate year-round programs).

(ii) To receive this credit, the recipient must have the LEA at the end of the summer or intersession period provide information to the Department, as the Secretary may require, that confirms that the recipient has taught during this period in a high-need school.

(c) *Upon failure to graduate or withdrawal of scholarship support.* (1) Within six months of the date the scholarship recipient is no longer enrolled in the teacher training program, or within six months of the IHE's withdrawal of scholarship support for failure to maintain good academic standing, the recipient must submit to the Department—

(i) The required repayment of the scholarship;

(ii) A request that the Secretary establish a binding schedule under which the recipient is obligated to repay the scholarship, accrued interest, and any costs of collection; or

(iii) A request that the Secretary defer the service obligation as permitted by § 611.37.

(2) Upon review of the repayment or information provided under paragraph (c)(1) of this section, the Department notifies the recipient of the status of the recipient's obligations and of any schedule under which the recipient must repay the scholarship.

(d) *Continuing responsibilities to report.* Until the Secretary determines that the individual either has satisfied his or her service obligation or has repaid the full amount of the scholarship, accrued interest, and any costs, the recipient also remains responsible for providing the Department—

(1) The information identified in this part; and

(2) A current home address and telephone number, and a current work address and work telephone number.

(Authority: 20 U.S.C. 1024(e))

**§ 611.40 What are a grantee's responsibilities for helping to implement the scholarship requirements?**

(a) *Before awarding a scholarship.*

Before awarding scholarship assistance with funds provided under the Teacher Recruitment Program to any student attending a teacher preparation program, a grantee must—

(1) Ensure that the student understands the terms and conditions that the Secretary has determined must be included in the scholarship agreement;

(2) Have the student and the institution awarding the scholarship execute a scholarship agreement that contains these terms and conditions; and

(3) Establish policies for—

(i) The withdrawal of scholarship support for any student who does not remain in good academic standing; and

(ii) Determining when and if re-negotiation of a student's scholarship package over an extended period of time is appropriate.

(b) *Reporting requirements.* (1) Within 30 days of the beginning of the teacher preparation program's academic term or within 30 days of the execution of any scholarship agreement, whichever is later, the grantee must provide to the Department the following information:

(i) The identity of each scholarship recipient.

(ii) The amount of the scholarship provided with program funds to each recipient.

(iii) The full-time equivalency, over each academic year, of each recipient's enrollment in the teacher training program for which he or she receives scholarship assistance.

(iv) Other information as the Secretary may require.

(2) Within 30 days of a scholarship recipient's graduation or withdrawal from the teacher preparation program, the grantee must provide to the Department the following information:

(i) The date of the recipient's graduation or withdrawal.

(ii) The total amount of program funds the grantee awarded as a scholarship to the recipient.

(iii) The original of any scholarship agreement executed by the scholarship recipient and the grantee (or its partnering IHE if the grantee is not an IHE) before the recipient was awarded a scholarship with program funds.

(iv) A statement of whether the institution has withdrawn scholarship support because of the recipient's failure to maintain good academic standing.

(v) Other information as the Secretary may require.

(c) *Exit conference.* An institution providing a scholarship with funds provided under this part must conduct an exit conference with each scholarship recipient before that individual leaves the institution. During the exit conference the institution must give the recipient a copy of any scholarship agreement the recipient has executed. The institution also must review with the recipient—

(1) The terms and conditions of the scholarship, including —

(i) The recipient's service obligation;

(ii) How the recipient can confirm whether a school and LEA in which he or she would teach will satisfy the service obligation;

(iii) Information that the recipient will need to have the LEA provide to the Department to enable the Secretary to confirm that the recipient is meeting the service obligation;

(iii) How the recipient may request a deferment of the service obligation, and information that the recipient should provide the Department in any deferment request;

(v) The consequences of failing to meet the service obligation including, at a minimum, the amount of the recipient's potential indebtedness; the possible referral of the indebtedness to a collection firm, reporting it to a credit bureau, and litigation; and the availability of a monthly payment schedule;

(vi) The amount of scholarship assistance and interest charges that the recipient must repay for failing to meet the service obligation; and

(vii) The recipient's responsibility to ensure that the Department has a home address and telephone number, and a work address and telephone number until the Secretary has determined that

the recipient has fulfilled the service obligation or the recipient's debt has been paid or discharged; and

(2) The follow-up services that the institution will provide the student during his or her first three years of teaching in a high-need school of a high-need LEA.

(d) *Programmatic responsibilities.* (1) In implementing its approved Teacher Recruitment Program grant, the grantee must—

(1) Provide scholarship recipients both before and after graduation with appropriate support services, including academic assistance, job counseling, placement assistance, and teaching support that will help to ensure that—

(i) Upon graduation, scholarship recipients are able to secure teaching positions in high-need schools of high-need LEAs; and

(ii) After beginning to teach in a high-need school of a high-need LEA, former scholarship recipients have appropriate follow-up services and assistance during their first three years of teaching;

(2) Provide LEAs with which the grantees collaborate in Teacher Recruitment Program activities with information and other assistance they need to recruit highly-qualified teachers effectively; and

(3) Work with the high-need LEAs participating in its project to ensure that scholarship recipients are placed, to the extent possible, in high-need schools of those LEAs.

(Authority: 20 U.S.C. 1024(e))

#### Subpart E—Other Grant Conditions

4. A new § 611.42 is added to subpart E to read as follows:

##### **§ 611.42 What rules govern scholarships funded by the State or Partnership Program for individuals attending teacher preparation programs?**

The provisions in §§ 611.34–611.40 governing the receipt of scholarships awarded under the Teacher Recruitment Program also apply to any scholarships that are awarded with federal funds provided under the State or Partnership Program authorized by section 202 or 203 of the Higher Education Act.

(Authority: 20 U.S.C. 1021 *et seq.*)

#### Appendix A

(This appendix is provided for information purposes only, and will not be included in final regulations issued for this program.)

*Teacher Quality Enhancement Grant Programs—Title II, Higher Education Act (HEA)*

*Proposed Scholarship Terms and Conditions*

#### **Section I: Recipient Section**

Name (last, first, middle initial):

Permanent Address (street, city, State, ZIP code):

Date of Birth:

Area Code/Phone No.:

Social Security Number:

#### **Section II: Institution Section**

##### *Part A*

Name of Institution:

Address (street, city, State, ZIP code):

Institution's DUNS Number:

Name of Contact (last, first, middle initial):

Area Code/Phone No. of Institution Contact:

E-mail Address of Institution Contact:

##### *Part B*

Amount of Title II, HEA Funds Awarded as Scholarship:

Period of Scholarship:

Recipient Enrolled as Percentage of Full-

Time Equivalent Student:

ED Grant Award Number:

#### **Section III: Terms and Conditions**

*Applicable Law:* The terms of this agreement and any scholarship assistance received with funds provided under Title II, sections 202–204, of the Higher Education Act of 1965, as amended (the “Act”) that the recipient receives will be interpreted in accordance with Title II, section 204, of the Act and any applicable Federal regulations. Section 204 of the Act embodies the Teacher Recruitment Program, whose purpose is to address the severe shortages of qualified teachers in many school districts and schools throughout the nation.

*Purpose of the Scholarship—the Recipient's Service Obligation:* Section 204(e) of the Act authorizes institutions and States that receive Teacher Recruitment Program funds from the U.S. Department of Education (the Department) to use these funds to provide scholarships to qualified individuals who agree to become teachers and then work in school districts and schools that face a serious teacher shortage. Similarly, sections 202(d)(7) and 203(e)(4) of the Act authorize States and institutions that receive State or Partnership Program grants respectively to use these funds to carry out activities permitted under the Teacher Recruitment Program. Therefore, recipients of scholarships provided with federal funds under these two programs also are subject to the requirements of section 204(e) of the Act.

Consistent with section 204(e), the recipient accepts the scholarship with the understanding that it carries with it a service obligation. More specifically, in exchange for the scholarship, the recipient agrees upon graduating from the institution's teacher training program to teach in a “high-need school” of a “high-need school local

educational agency (hereinafter “high-need school district”) for at least as long as the period for which the recipient receives scholarship assistance. The recipient understands that the period of time for which he or she receives scholarship assistance will be determined in comparison to full-time enrollment in the teacher preparation program (exclusive of summers). Similarly, the recipient understands that the period of time he or she must teach in a high-need school of a high-need school district will be determined in comparison to what the school district considers to be teaching on a full-time basis. Full-time basis does not include summers or optional intersession periods for those school districts that operate year-round programs.

The recipient also understands that the institution has received funds from the Department of Education to provide teacher recruitment services to the scholarship recipient and so, consistent section 204 of the Act, is responsible among other things for—

1. Providing support services, if needed, to help the recipient complete the teacher training program;

2. Working with one or more high-need school districts, in securing placement of the scholarship recipient, upon his or her graduation, into a teaching position at a high-need school in the school district; and

3. Working with the high-need school and school district in which the recipient begins to teach to provide the recipient with follow-up services during his or her first three years of teaching.

*Recipient's Retention of Scholarship Assistance for Meeting the Service Obligation:* The recipient does not have to repay to the Department the scholarship provided with funds under Title II of the Act if the Department determines that the recipient has fulfilled his or her service obligation. To determine that the recipient has met the service obligation, the Department must receive information to confirm that the recipient (1) Within six months of graduation from the teacher training program, has teaching in a high-need school of a high-need school district; and (2) Continues teaching in a high-need school of a high-need school district for a period of time that is equivalent to the period of time for which the recipient receives this scholarship assistance.

So that the Department may obtain the information it needs to make these determinations, the recipient agrees within six (6) months of graduation from the institution's teacher training program to have the high-need school district in which he or she is teaching provide to the Department information as the Department may require that confirms:

1. The school and school district in which the recipient is teaching are “high-need” as defined in the “DEFINITION OF HIGH-NEED SCHOOL DISTRICT AND HIGH-NEED SCHOOL,” below; and

2. The recipient is teaching on a full-time basis or, if teaching on a part-time basis, the amount of time the recipient is teaching as a percentage of the time spent teaching by the district's full-time teachers.

Before graduating, the institution will provide the recipient written guidance that explains the information the recipient must have the school district provide the Department, and the date or dates that this information is due.

Scholarship recipients who attend the institution on a part-time basis must teach in a high-need school of a high-need school district for a period that is comparable to the full-time equivalent period that the student receives scholarship assistance. The Department treats both the full academic year of the teacher training program, excluding summer, and the full academic year of the school district in which the recipient will teach, excluding summers and any intersession periods (for school districts that operate year-round programs), as equivalent one-year periods of time.

**Example:** An individual receives a scholarship for the costs of attending a teacher preparation program on a part-time basis. While the program extends for two full years of coursework and clinical experience, the scholarship recipient is enrolled part-time, and completes the program in three years. The Department would consider the period for which the individual receives a scholarship as two academic years.

Upon graduation, the individual begins teaching half time in a high-need school of a high-need school district after receiving the two full years of scholarship support. If the individual continues to teach half time, he or she would meet the program's service obligation by teaching in a high-need school of a high-need school district for the standard contractual period of four school years. This four-year period is equivalent to the period that a full-time teacher would teach for two full school years.

At the end of each school year, the recipient will have the high-need school district in which he or she teaches provide the Department with information to confirm that the recipient has taught for the preceding period in a high-need school. The Department will provide the recipient with credit towards meeting the service obligation for time that a high-need school district confirms the recipient has taught in a high-need school during a summer period (or intersession period for districts that operate year-round programs).

Until the Department notifies the recipient that he or she has met the service obligation, at the beginning and end of each subsequent academic year the recipient will continue to have the high-need school district inform the Department whether the recipient is teaching in a high-need school. The recipient will have the school district provide this information on or before October 1 and within seven days of the end of the school year, respectively.

Before graduation, the institution will provide the recipient forms that contain the information that the school districts will need to provide to the Department.

**Definition of High-Need School District and High-Need School:** For purposes of this agreement, a "high-need school district" is a school district that meets one of the following definitions:

1. An school district with at least one school in which 50 percent or more of the enrolled students are eligible for free and reduced lunch subsidies.

2. A school district that has one school where—

More than 34 percent of academic classroom teachers overall (across all academic subjects) do not have a major, minor, or significant course work in their main assignment field; or

More than 34 percent of the main assignment faculty in two of the core-subject departments do not have a major, minor, or significant work in their main assigned field. (For purposes of the definition above, "Main assignment field" means the academic field in which teachers have the largest percentage of their classes. "Significant course work" means four or more college- or graduate-level courses in the content area.)

3. A school district that serves a school whose attrition rate among classroom teachers was 15 percent or more in the last three school years.

For purposes of this Agreement, a "high-need school" is an elementary or secondary school that meets one of the three tests that enables a school district to be considered a "high-need school district."

**Deferment of Service Obligation:** The Department may defer the scholarship recipient's responsibility to teach in a high-need school of a high-need school district if the recipient provides satisfactory information to confirm that he or she—

1. Suffers from a serious physical or mental disability that temporarily prevents or impairs the scholarship recipient from working as a teacher;

2. Is a member of the Armed Forces of the United States on active duty;

3. Is conscientiously seeking but is unable to secure employment (for reasons that may include the failure to pass a required teacher certification or licensure examination) as a teacher in a high-need school of a high-need school district; or

4. Is affected by other extraordinary circumstances that prevent the scholarship recipient from securing such employment.

The recipient must apply to the Department for a deferment of the service obligation. The recipient must do so within six (6) months of his or her graduation (or withdrawal) from the teacher training program or, if the recipient has already begun teaching in a high-need school of a high-need school district, within six (6) months of the date he or she no longer teaches in this school. Unless the Department determines otherwise, the recipient must apply to the Department to renew a deferment on a yearly basis. Deferments for military service may not exceed three years. During the period of any deferment, the recipient agrees to provide the Department with current information (including updating information) on the recipient's home address and phone number, and work address and telephone number.

The obligation to repay the scholarship, as set forth below in "Repayment for Failure to Meet Service Obligation," is not deferred until the Department determines that a deferment is appropriate.

**Repayment for Failure to Meet Service Obligation:** The recipient agrees to repay to the Department the full amount of the scholarship (with accrued interest and costs of collection, if any, as described below) if he or she does not—

(1) Meet the service obligation or reporting requirements identified above in "Recipient's Retention of Scholarship Assistance for Meeting the Service Obligation;" or

(2) Receive a deferment of this obligation as explained above in "Deferment of Service Obligation."

If the scholarship recipient does not teach in a high-need school of a high-need school district within six (6) months of his or her graduation from the teacher preparation program, the recipient becomes obligated to repay the scholarship six months after the date of completion of the teacher training program.

If the scholarship recipient withdraws from the teacher preparation program prior to graduating, the recipient becomes obligated to repay the scholarship six (6) months after his or her withdrawal from the program.

If upon graduation from the institution's teacher preparation program the scholarship recipient teaches in a high-need school of a high-need school district for a period that is less than the period of his or her service obligation, the recipient becomes responsible for repayment of the percentage of the scholarship (and interest that accrues on this portion of the scholarship) equal to the percentage of the period for which the service obligation was not fulfilled.

**Example:** An individual receives a scholarship in the total amount of \$10,000 to attend a teacher preparation program for two academic years. The individual graduates from the program, and works in a high-need school of a high-need school district for one full school year. The individual then moves, and takes a teaching position in a school and school district that are not high-need.

The individual has fulfilled one-half of his or her service obligation, and so must repay one-half of the scholarship, plus interest that accrues on this amount beginning six months after graduation from the teacher preparation program (see "INTEREST," below), and any costs of collection. This indebtedness attaches to the recipient six months after the individual is no longer employed as a teacher in the high-need school of a high-need school district.

Until the scholarship recipient either satisfies the service obligation or repays the scholarship, interest, and costs of collection, if any, the recipient agrees to provide the Department a current home address and telephone number and a work address and telephone number, as well as other needed identifying information. In addition, the recipient understands that the Department, the institution, and the high-need LEA are or will be using the recipient's social security number so that the Department can, if necessary, secure payment of these amounts from the recipient if he or she fails to meet the service obligation.

**Availability of Monthly Repayment Schedule:** Upon request, the Department will provide to the recipient a monthly repayment schedule. Unless, for cause, the Department establishes another repayment schedule, the schedule will require the recipient to repay the Department the full amount of the scholarship and accrued interest in minimum monthly payments of no less than \$50 per month. However, the payment schedule must enable the recipient to repay all scholarship and accrued interest that is due within ten years of the date the recipient becomes responsible for repaying these amounts.

The first payment will be due 30 days after the Department notifies the recipient of the payment schedule, or at such subsequent time that the Department may identify.

**Interest:** In accordance with 31 U.S.C. 3717 and 34 CFR part 30, the recipient agrees to pay interest on the unpaid balance that the scholarship recipient owes for failure to meet the service obligation. Interest will begin to accrue as of the date the recipient becomes responsible for repayment of the scholarship. See "Repayment for Failure to Meet Service Obligation," above. No interest is charged for the period of time that precedes the date on which the scholarship recipient becomes responsible for repayment. Interest accrues during any period in which the Department defers the service obligation, but is waived if the scholarship recipient completes the service obligation.

The rate of interest that would apply to repayment of this scholarship is \_\_\_\_%.

**Collection of Defaulted Repayment Obligation:** The Department may take any action authorized by law to collect the amount of scholarship, accrued interest and collection costs, if any, on which a scholarship recipient obligated to repay under this section has defaulted. Actions available to the Department include, but are not limited to, filing a lawsuit against the recipient, reporting the default to national credit bureaus, and requesting the Internal Revenue Service to offset the recipient's Federal income tax refund.

**Discharge of a Required Repayment:** The Department discharges an obligation to repay the scholarship and interest of a scholarship recipient who has died or who demonstrates to the Department's satisfaction that, because of permanent physical or mental disability, he or she is not employable as a teacher.

Upon receipt of acceptable documentation and approval of the discharge request, the Department returns to the scholarship recipient, or for a discharge based on death, the recipient's estate, those payments received after the date the eligibility requirements for discharge were met and prior to the date the discharge was approved. The Department also returns any payments received after the date the discharge was approved.

**Exit Conference:** Before the recipient graduates or withdraws from the institution, the institution will provide the recipient an opportunity to review fully the terms and conditions of this scholarship agreement.

*My signature certifies that I have read, understand, and agree to the terms and conditions of this scholarship agreement.*

*Scholarship Recipient's Signature*      *Date:*

Name of Scholarship Recipient: \_\_\_\_\_  
Authorized Institutional Official      *Date:* \_\_\_\_\_  
Name of Official: \_\_\_\_\_  
Title: \_\_\_\_\_

## Appendix B

(This appendix is provided for information purposes only, and will not be included in final regulations issued for this program)

### Teacher Quality Enhancement Grant Programs

#### Title II, Higher Education Act

#### Verification of Teaching Obligation

The individual identified below is a teacher employed by your school district. He or she received a scholarship provided under the Teacher Quality Enhancement Grant Programs to attend a teacher preparation program. As a condition of that scholarship, within six months of completing the program the individual must begin teaching in a high-need school, as that term is defined in Section II, Part C of this form. The individual must continue teaching in a high-need school for a period equivalent to the length of time during which he or she received the scholarship. The U.S. Department of Education needs the information identified in this document so that it can confirm that the individual has fulfilled this service obligation.

For Sections I and II, we ask that you furnish this information by October 1 for individuals who begin teaching at the beginning of the school year, and within seven days of receipt for individuals who begin teaching at other times. The Department needs to obtain the information only once during the school year.

For Section III, we ask that you furnish the information on the teacher's regular school-year employment in your school district (Parts A1 and A2 and Part B) within seven days of the end of the school year. If the individual teaches during the summer (or intersession period if the school district operates a year-round program) in a high-need school, we ask that you furnish the information in Part A3 within seven days of the end of the summer session. Please also include any changes in the name, address, telephone number, fax number, or E-mail address of the school district's reporting official that was previously provided in Section I.

Please feel free to use this form or any other format you prefer. Please mail this information to: U.S. Department of Education, Office of Postsecondary Education, Teacher Quality Program Office, 1990 K Street, NW, 6th Floor, Washington, DC 20202-\_\_\_\_. If you prefer to provide this information over the Internet, please contact the Teacher Quality program office at: \_\_\_\_\_. You will be sent an electronic copy of this document.

Thank you for your assistance.

### Section I: Scholarship Recipient/Teacher Information

Name: \_\_\_\_\_  
Permanent Address: \_\_\_\_\_  
Permanent Telephone Number: \_\_\_\_\_  
Social Security Number: \_\_\_\_\_  
Date of Birth: \_\_\_\_\_

### Section II: Scholarship Recipient/Teacher Information

#### Part A

School District: \_\_\_\_\_  
Address: \_\_\_\_\_  
Name of District Official Providing This Information: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_  
E-mail: \_\_\_\_\_

(Name of Teacher) has been employed by the school district as a teacher at (Name of School):  
\_\_\_\_ since the beginning of this school year  
\_\_\_\_ beginning on \_\_\_\_ (date) (\_\_\_\_ weeks after the school year began).

#### Part B

During the current academic year, he/she will be teaching at this school \_\_\_\_ full-time \_\_\_\_ part-time.

If part-time, he/she has a teaching schedule that is \_\_\_\_ % of the district's full-time teachers

#### Part C

To retain his/her financial assistance as a scholarship, (Name of School) must be a "high-need school" as the term is used in the Teacher Quality Enhancement Grant Programs. Please check at least one number that applies to the school:

1. \_\_\_\_ 50% or more of the enrolled students are eligible for free and reduced lunch subsidies.
2. \_\_\_\_ 34% or more of the school's academic classroom teachers do not have a major, minor, or significant course work in their main assignment field.
3. \_\_\_\_ 34% or more of the main assignment faculty in two of the core-subject departments do not have a major, minor or significant work in their main assigned field.
4. \_\_\_\_ The school has had an attrition rate among classroom teachers of 15% or more in the last three school years.

**Note:** If none of these categories applies to the school in which the individual is teaching, please notify the individual immediately. He or she is at risk of becoming legally responsible for repaying of the full amount of his or her scholarship.

#### Questions/Comments

I certify that the information contained in this document is correct.

*Signature of School District Official:*  
*Date:*

### Section III: Confirmation of School-Year/Summer/Intersession Employment

(To be completed within seven days of the end of the school year or summer/intersession period. Please submit to the U.S. Department of Education along with the previously completed Sections I and II.)

#### Part A

- (Name of Teacher):
1. \_\_\_\_ continued to teach at (Name of School) for the remainder of the school year in the same full-time or part-time capacity as reported earlier this year.
  2. \_\_\_\_ became a teacher at another school in this school district (School Name) beginning (date) and taught there in the same

full-time or part-time capacity as previously reported. This school is a high-need school because it meets the criterion in No. \_\_\_\_ in Section II.C of this document.

3. \_\_\_\_ taught this summer / intersession period at (Name of School). This school is a high-need school because it meets the criterion in No. \_\_\_\_ in Part II.C of this document. The individual taught at this school from (date) to (date).

*Part B*

If neither 1 nor 2 of Part A is true, please explain the change of the individual's employment status from what the school district previously reported in Section II. If applicable, please also provide the date on which the individual no longer was employed by the school district or worked in a high-need school.

Questions/Comments

I certify that the information contained in this document is correct.

*Signature of School District Official:*

Date:

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