

SESSION 13

Regulatory Update – TEACH Grant Program and State Authorization of Distance Education Final Regulations

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AGENDA

- 01 TEACH Grant Program
- 02 State Authorization of Distance Education



TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION (TEACH) GRANT PROGRAM

TEACH GRANT PROGRAM

SUMMARY

- Non-need-based program that provides up to \$4,000 per year to students enrolled in a TEACH Grant-eligible program who agree to teach as a highly-qualified teacher, in a high-need field, at a low-income elementary or secondary school for four years within eight years of completing the program
- Failure to complete the required teaching service results in conversion of the TEACH Grant to a Federal Direct Unsubsidized Loan with interest accruing from the date the grant was disbursed

TEACH GRANT PROGRAM

HIGH-NEED FIELDS

- Mathematics
- Science
- Foreign language
- Bilingual education & English language acquisition
- Special education
- Reading specialist
- Other high-need field documented by local, State, or Federal government

TEACH GRANT PROGRAM

INSTITUTIONAL AND PROGRAM ELIGIBILITY

- Institutions must be TEACH Grant-eligible
- Institutions have wide latitude to designate the TEACH Grant-eligible programs offered by the institution
- Programs must be designed to prepare an individual to teach as a highly-qualified teacher in a high-need field and lead to a baccalaureate or master's degree, or be a post-baccalaureate program
- Post-baccalaureate program is not a TEACH Grant-eligible program at institutions that offer both a post-baccalaureate program and a BA in Education

TEACH GRANT PROGRAM

REGULATIONS PUBLISHED AFTER THE 2019 NEGOTIATED RULEMAKING

- A Notice of Proposed Rulemaking (NPRM) was published in the Federal Register on December 11, 2019:

<https://www.federalregister.gov/documents/2019/12/11/2019-25808/federal-perkins-loan-program-federal-work-study-programs-federal-supplemental-educational>

- Final regulations were published in the Federal Register on August 14, 2020:

<https://www2.ed.gov/policy/highered/reg/hearulemaking/2018/teachandfaithbasedfinalrule.pdf>

TEACH GRANT PROGRAM

IMPLEMENTATION DATE OF FINAL REGULATIONS

- The Secretary exercised her authority under section 482(c) of the HEA to designate the regulatory changes to regulations at 34 CFR part 686 included in the final regulations for early implementation beginning on August 14, 2020, at the discretion of each institution, or each agency, as appropriate
- The Department will implement the regulations as soon as possible after the implementation date and will publish a separate notice announcing the timing of the implementation
- Otherwise, the final regulations are effective July 1, 2021

TEACH GRANT PROGRAM

FINAL REGULATIONS

- Expand the fields in which grant recipients can work to fulfill their service obligation
- Simplify employment certification requirements
- Require more information to be provided to recipients as part of entrance and exit counseling
- Create conversion counseling to educate borrowers when their grants convert to loans
- Provide processes to correct improper conversions of TEACH grants to loans

TEACH GRANT PROGRAM

NEW DEFINITIONS § 686.2:

Educational service agency - A regional public multiservice agency authorized by State statute to develop, manage, and provide services or programs to local educational agencies (LEAs).

- Added references to educational service agencies to the regulations as needed

Teacher Shortage Area Nationwide Listing (Nationwide List) - a list of teacher shortage areas in each State as defined under 34 CFR 682.210(q)(8)(vii).

TEACH GRANT PROGRAM

REVISED DEFINITIONS § 686.2:

Agreement to serve – changed name to “Agreement to serve or repay.”

Highly-qualified – replaced current definition with full text of the statutory definition. Added provisions describing how a public or other non-profit private, elementary, or secondary school teacher exempt from State certification requirements can meet the “highly-qualified” requirement.

School serving low-income students (low-income school) - An elementary school, secondary school, or educational service agency listed in the ED's Teacher Cancellation Low-Income (TCLI) Directory. All elementary and secondary schools and educational service agencies operated by the BIE in the Department of the Interior or operated on Indian reservations by Indian Tribal groups under contract or grant with the BIE qualify as schools or educational service agencies serving low-income students.

TEACH GRANT PROGRAM

REVISED DEFINITIONS § 686.2:

TEACH Grant-eligible program - An eligible program, as defined in 34 CFR 668.8, is a program of study *at a TEACH Grant-eligible institution* that is designed to prepare an individual to teach as a highly-qualified teacher in a high-need field and leads to a baccalaureate or master's degree, or is a post-baccalaureate program of study. A two-year program of study that is acceptable for full credit toward a baccalaureate degree is considered to be a program of study that leads to a baccalaureate degree.

TEACH GRANT PROGRAM

AMENDED § 668.10-11 BY:

- Modifying application requirements (§ 668.10) and student eligibility requirements (§ 668.11) by replacing references to submitting a TEACH Grant application with references to submitting the FAFSA
- Making additional conforming changes

TEACH GRANT PROGRAM

AMENDED § 686.12 (AGREEMENT TO SERVE) BY:

- Changing “agreement to serve” to “agreement to serve or repay”
- Expanding the description of the contents of the agreement to serve or repay
- Clarifying the requirements for completion of more than one service obligation
- Adding language to explain the service obligation requirements for grant recipients who withdraw from an institution prior to completing the program for which TEACH Grants were received and later re-enroll
- Updating the conditions under which a TEACH Grant recipient may satisfy the service obligation by teaching in a high-need field listed in the Department’s Nationwide List

TEACH GRANT PROGRAM

§ 686.12(d) TEACHING IN A HIGH-NEED FIELD ON THE NATIONWIDE LIST

For a recipient's teaching service in a high-need field listed in the Nationwide List to count toward satisfying the recipient's service obligation, the high-need field in which he or she prepared to teach must be listed in the Nationwide List for the State in which the grant recipient teaches –

For teaching service performed before July 1, 2010 - At the time the recipient begins teaching in that field, even if that field subsequently loses its high-need designation for that State; or

For teaching service performed on or after July 1, 2010 - At the time the recipient begins teaching in that field, even if that field subsequently loses its high-need designation for that State or at the time the recipient signed the agreement to serve or repay or received the TEACH Grant, even if that field later loses its high-need designation for that State before the recipient begins teaching in that field.

TEACH GRANT PROGRAM

§ 686.40 DOCUMENTING TEACHING IN A HIGH-NEED FIELD ON THE NATIONWIDE LIST

The prohibition on satisfying the service obligation by teaching in a high-need geographic area or grade level listed in the Nationwide list was removed, thereby expanding opportunities for TEACH Grant recipients by allowing recipients to satisfy the service obligation by teaching in a high-need geographic area or grade level listed in the Nationwide List.

TEACH GRANT PROGRAM

(§ 686.32) INITIAL, SUBSEQUENT, AND EXIT COUNSELING MUST EXPLAIN THAT:

- To avoid further accrual of interest, a grant recipient who decides not to teach in a qualified school or field, or who for any other reason no longer intends to satisfy the service obligation, may request that the Secretary convert his/her TEACH Grant to a Direct Unsubsidized Loan that the grant recipient may begin repaying immediately, instead of waiting for the TEACH Grant to be converted to a loan under the condition described in §686.43(a)(1)(ii)

TEACH GRANT PROGRAM

(§ 686.32) INITIAL, SUBSEQUENT, AND EXIT COUNSELING MUST EMPHASIZE THAT:

Once a TEACH Grant is converted to a loan, it may be reconverted to a grant only if -

- The Secretary determines that the recipient is satisfying the service obligation or that the grant has been converted to a loan in error; or
- For a grant recipient whose TEACH Grant was converted to a Direct Unsubsidized Loan in accordance with §686.43(a)(1)(i), the recipient requests that the Secretary reconvert the loan to a grant and is determined to be eligible for reconversion

TEACH GRANT PROGRAM

(§ 686.32) INITIAL AND EXIT COUNSELING MUST INFORM THE RECIPIENT THAT:

For teaching to count towards the service obligation, the high-need field must be -

- One of the six high-need fields listed in §686.2; or
- A high-need field that is listed in the Nationwide List for the State in which the grant recipient teaches -
 - At the time the grant recipient begins teaching in that field, even if that field subsequently loses its high-need designation for that State; or
 - For teaching service performed on or after July 1, 2010, at the time the grant recipient signed the agreement to serve or repay or received the TEACH Grant, even if that field subsequently loses its high-need designation for that State before the grant recipient begins teaching in that field

TEACH GRANT PROGRAM

(§ 686.32) EXIT COUNSELING MUST:

- Review the terms and conditions of the TEACH Grant agreement to serve or repay as described in § 686.12 and emphasize to the grant recipient that the four-year service obligation must be completed within the eight-year period described in §686.12
- Emphasize to the grant recipient that if the grant recipient fails or refuses to complete the service obligation contained in the agreement to serve or repay or fails to meet any other condition of the agreement to serve or repay then-

The TEACH Grant must be repaid as a Direct Unsubsidized Loan and the grant recipient will be obligated to repay the full amount of each grant and the accrued interest from each disbursement date

TEACH GRANT PROGRAM

(§ 686.32) EXIT COUNSELING MUST:

- Explain the treatment of a grant recipient who withdraws from and then reenrolls in a TEACH Grant-eligible program at a TEACH Grant eligible institution as described in §686.12(c)
- Explain to the grant recipient that the Secretary will, at least annually during the service obligation period, send the recipient the notice described in §686.43(a)(2)

TEACH GRANT PROGRAM

(§ 686.32) CONVERSION COUNSELING (NEW):

- At the time of conversion, the Secretary conducts conversion counseling with the recipient via interactive electronic means and by mailing written counseling materials to the recipient's most recent address
- Regulations mirror Direct Loan exit counseling requirements as relevant to TEACH and include all elements proposed to be removed from current exit counseling

TEACH GRANT PROGRAM

§ 686.40 (DOCUMENTING THE SERVICE OBLIGATION):

The requirement for grant recipients to confirm their status within 120 days of ceasing enrollment in a program for which they received a TEACH Grant was removed.

The current rule that a recipient may not satisfy the service obligation by teaching in a geographic region of a State or in a specific grade level not associated with a high-need field that has been designated as a teacher shortage area in the Department's Nationwide List was removed.

Added that a recipient who completes at least half of an academic year of qualifying teaching and other applicable requirements could have that partial year of teaching counted as one full year of the four required years of teaching if the recipient is unable to teach for the remainder of the academic year because he/she resides in or is employed in a federally declared major disaster area as defined in the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42. U.S.C. 5122(2)) .

TEACH GRANT PROGRAM

§ 686.41 (PERIODS OF SUSPENSION)

Added that a recipient may receive a temporary suspension of the service obligation completion period:

- While receiving State-required instruction or otherwise fulfilling requirements for licensure to teach in a State's elementary or secondary schools
- Based on military orders for the recipient's spouse for deployment with a military unit or as an individual in support of a call to Federal or State active duty or active service, or a change of permanent duty station from a location in the continental United States to a location outside of the continental United States or from a location in a State to any location outside of that State
- Due to residing in or being employed in a federally declared major disaster area as defined in the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2))

TEACH GRANT PROGRAM

§ 686.41 (PERIODS OF SUSPENSION)

- On a case-by-case basis - the Secretary may grant a grant recipient a temporary suspension of the period for completing the service obligation if the Secretary determines that the recipient was unable to complete a full academic year of teaching or begin the next academic year of teaching due to exceptional circumstances significantly affecting the operation of the school or educational service agency where the grant recipient was employed or the grant recipient's ability to teach

TEACH GRANT PROGRAM

§ 686.42 (DISCHARGE OF THE AGREEMENT TO SERVE OR REPAY)

- Updated the requirements and procedures for receiving a discharge of the TEACH Grant service obligation based on a total and permanent disability (TPD)

TEACH GRANT PROGRAM

§ 686.43 (OBLIGATION TO REPAY THE GRANT)

- Simplified conversion rules of TEACH Grants to Direct Unsubsidized Loans so conversion will occur only if the recipient requests conversion or fails to begin or maintain qualifying teaching service within a timeframe that would allow the recipient to complete the service obligation within the eight-year service obligation period
- Added an annual notice that the Secretary will send to grant recipients to remind them of the service obligation requirements
- Specified that the Secretary will notify grant recipients in advance of the final date by which they must submit documentation of qualifying teaching service to avoid loan conversion

TEACH GRANT PROGRAM

§ 686.43 (OBLIGATION TO REPAY THE GRANT)

- Described the information that the Secretary will provide to a grant recipient whose grants are converted to loans, including information about the process by which a recipient may request reconsideration of the conversion
- Provided that, if a grant recipient's TEACH Grant was converted to a Direct Unsubsidized Loan in accordance with paragraph (a)(1)(ii) of this section, the Secretary will reconvert the loan to a TEACH Grant based on documentation provided by the recipient or in the Secretary's records showing that he or she is satisfying the service obligation or that the grant was converted to a loan in error (§ 686.43(a)(5))

TEACH GRANT PROGRAM

§ 686.43 (OBLIGATION TO REPAY THE GRANT)

Specified actions the Secretary takes if a grant recipient who requests reconsideration demonstrates to the satisfaction of the Secretary that a TEACH Grant was converted to a loan in error (§ 686.43(a)(6)):

- Loan is reconverted and already completed qualifying teaching service is applied to service obligation
- Recipient is provided with an additional period of time, equal to 8 years minus the number of full academic years of teaching that the recipient completed prior to reconversion of the loan to a TEACH Grant, including any years of qualifying teaching completed during the period when the grant was incorrectly in loan status, to complete the remainder of the service obligation
- The recipient will be automatically provided with a “statement of error” when a grant that was incorrectly converted to a loan is later reconverted to a TEACH Grant.

TEACH GRANT PROGRAM

§ 686.43 (OBLIGATION TO REPAY THE GRANT)

Specified actions the Secretary takes if a recipient who requests reconsideration does not demonstrate to the Secretary's satisfaction that a TEACH Grant was converted to a loan in error (§ 686.43(a)(7)).

If the grant was converted to a loan at the recipient's request, specified that the Secretary will reconvert the loan to a grant and restore the recipient's service obligation if the Secretary receives a request from the recipient to reconvert such loan and there is sufficient time remaining for the recipient to complete the service obligation (686.43(a)(8)).

TEACH GRANT PROGRAM AND COVID-19

ELECTRONIC ANNOUNCEMENTS

The CARES Act provides that, if previously qualifying teaching service becomes part-time or is temporarily interrupted as a result of a qualifying emergency, that teaching service is considered full-time and fulfills the service obligation requirement under section 420N of the Higher Education Act of 1965, as amended.

<https://ifap.ed.gov/electronic-announcements/051520UPDATEDGuidanceInterruptStudyRelCOVID19May2020>

The Department is extending the deadline for all flexibilities related to the COVID-19 emergency through the end of the payment period that includes December 31, 2020 or the end of the payment period that includes the end date for the Federally-declared emergency related to COVID-19, whichever occurs later.

<https://ifap.ed.gov/electronic-announcements/082120UpdatedDeadlinesFlexReltoCOVID19>

STATE AUTHORIZATION OF DISTANCE EDUCATION (SADE)

BACKGROUND AND CONTEXT FOR STATE AUTHORIZATION

- Under the Higher Education Act, for an institution in any State to be eligible to participate in Federal programs, it must be legally authorized by the State to provide postsecondary education
- Section 101(a)(2) of the HEA defines “institution of higher education” to mean, in part, an educational institution in any State that is legally authorized within the State to provide a program of education beyond secondary education

BACKGROUND AND CONTEXT FOR STATE AUTHORIZATION

- Section 102(a)(2) of the HEA provides that a proprietary institution of higher education and a postsecondary vocational institution must be legally authorized within the State to provide a program of education beyond secondary education
- Pre-October 2010: No definition or description in regulations

REGULATIONS

- Notice of Proposed Rulemaking: June 18, 2010

<http://edocket.access.gpo.gov/2010/pdf/2010-14107.pdf>

- Final Regulations: October 29, 2010

<http://edocket.access.gpo.gov/2010/pdf/2010-26531.pdf>

Effective Date: July 1, 2011

- Technical Corrections: April 13, 2011:

<http://ifap.ed.gov/fregisters/attachments/FR041311ProgramIntegrityIssues.pdf>

STATE AUTHORIZATION

For institutional eligibility purposes for Federal programs, the State authorization regulations -

- Assure a State role in authorizing postsecondary institutions;
and
- Clarify what is required for an institution to be considered legally authorized by a State

STATE AUTHORIZATION OF DISTANCE EDUCATION

- On June 12, 2019, after a series of lawsuits and delays regarding SADE and after the 2019 negotiated rulemaking, a Notice of Proposed Rulemaking (NPRM) that included proposed rules for State authorization of distance education, was published:

<https://ifap.ed.gov/fregisters/FR061219.html>

- Final regulations were published in the Federal Register November 1, 2019, with an effective date of July 1, 2020:

<https://www.govinfo.gov/content/pkg/FR-2019-11-01/pdf/2019-23129.pdf>

State authorization: Religious institution definition §600.9(b)

The final regulations amend the current definition of a “religious institution” used for State authorization purposes in §600.9(b):

- An institution is considered to be legally authorized to operate educational programs beyond secondary education if it is exempt as a religious institution from State authorization under the State constitution or by State law
- Must still provide a State complaint process

SADE FINAL REGULATIONS: §600.2

DEFINITIONS

STATE AUTHORIZATION RECIPROcity AGREEMENT:

An agreement between two or more States that authorizes an institution located and legally authorized in a State covered by the agreement to provide postsecondary education through distance education or correspondence courses to students *located* in other States covered by the agreement and *cannot* prohibit any *member State* of the agreement from enforcing its own *general-purpose State laws and regulations outside of the State authorization of distance education*.

STATE AUTHORIZATION OF DISTANCE EDUCATION

§600.9(c)

SADE: §600.9(c)(1)(i)

If an institution that meets the requirements under paragraph (a)(1) or (b) of this section offers postsecondary education through distance education or correspondence courses to students *located* in a State in which the institution is not physically located or in which the institution is otherwise subject to that State's jurisdiction as determined by that State, except as provided in paragraph (c)(1)(ii) of this section, the institution must meet any of that State's requirements for it to be legally offering postsecondary distance education or correspondence courses in that State.

The institution must, upon request, document the State's approval to the Secretary; or

STATE AUTHORIZATION OF DISTANCE EDUCATION

§600.9(c)

SADE: §600.9(c)(1)(ii)

If an institution that meets the requirements under paragraph (a)(1) or (b) of this section offers postsecondary education through distance education or correspondence courses in a State that participates in a State authorization reciprocity agreement, and the institution is covered by such agreement, the institution is considered to meet State requirements for it to be legally offering postsecondary distance education or correspondence courses in that State, subject to any limitations in that agreement and to any additional requirements of that State *not relating to State authorization of distance education.*

The institution must, upon request, document its coverage under such an agreement to the Secretary.

SADE

Revisions to §600.9(c)(1)(ii)

- Revised to be consistent with the revised definition of a State authorization reciprocity agreement
- Provide that an institution covered by a reciprocity agreement is considered to meet State requirements for it to be legally offering postsecondary distance education or correspondence courses in the State, subject to any limitations in that agreement and to any additional requirements of the State *not relating to authorization of distance education*

SADE

Revisions to §600.9(c)(1)(i) and (ii):

- Apply to institutions described in §600.9(a)(1) or §600.9(b)
- Refer to a student's *location*, not residence
- The reference to location, not residence, is also reflected in the revised definition of a State authorization reciprocity agreement

DETERMINING STUDENT LOCATION

An institution must:

- Make a determination, in accordance with the institution's policies or procedures, regarding the State in which a student is located, which must be applied consistently to all students
- Upon request, provide the Secretary with written documentation of its determination of a student's location, including the basis for such determination

DETERMINING STUDENT LOCATION

An institution must:

- Make a determination regarding the State in which a student is located at the time of the student's initial enrollment in an educational program, and, if applicable, upon formal receipt of information from the student, in accordance with the institution's procedures, that the student's location has changed to another State

SADE

STATE COMPLAINT PROCESS

- Regulations for a State complaint process under §600.9(c)(2) have been removed
- Current §600.9(a)(1) addresses the State complaint process

SADE

STATE COMPLAINT PROCESS

Current §668.43(b) requires an institution to provide its students or prospective students with contact information for filing complaints with its State approval or licensing entity and any other relevant State official or agency that would appropriately handle a student's complaint.

DISCLOSURES

DISCLOSURES RELATED TO DISTANCE EDUCATION

Institutions are required to disclose information about State authorization and State-based complaint systems under 34 CFR 668.43(b).

If an educational program is designed to, or is advertised to, meet educational requirements for a specific professional license or certification required for employment in an occupation, the institution must disclose if program completion is sufficient to meet licensure requirements in a State for that occupation, including a list of all States that the institution has determined its program will meet, will not meet, or has not made a determination regarding such requirements [668.43(a)(5)(v)].

DISCLOSURES

DISCLOSURES RELATED TO DISTANCE EDUCATION:

An institution must make *individualized* disclosures to prospective students for any program designed or advertised to meet State licensure requirements when its program would not meet educational prerequisites for licensure in the State where the students are located, or if the institution has not determined if the program would meet such requirements prior to a student's enrollment in the program [668.43(c)(1)].

An institution is required to make *individualized* disclosures to enrolled students in any program designed or advertised to meet State licensure requirements if the institution determines that the program no longer meets such requirements in the State where the student is located within 14 calendar days of the determination [668.43(c)(2)].

DISCLOSURES

STUDENT LOCATION AS RELATED TO DISCLOSURES

- Individualized disclosures related to licensure or certification must be made directly to a student in writing, which may be through email
- An institution must determine a student's *location* using a process applied consistently to all students and must make such determination at the time of a student's initial enrollment and upon formal receipt of information from the student that the student's location has changed to another State
- The institution must, upon request, provide written documentation of its determination of a student's location, including the basis for such determination [668.43(c)(3)]

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