RULES
OF
TENNESSEE STUDENT ASSISTANCE CORPORATION
CHAPTER 1640-1-20
TENNESSEE MATH & SCIENCE TEACHER LOAN FORGIVENESS PROGRAM

TABLE OF CONTENTS

1640-1-20-.01  Introduction
1640-1-20-.02  Definitions
1640-1-20-.03  Eligibility
1640-1-20-.04  Award Amount
1640-1-20-.05  Application Process
1640-1-20-.06  Interest
1640-1-20-.07  Repayment
1640-1-20-.08  Deferment
1640-1-20-.09  Cancellation/Forgiveness
1640-1-20-.10  Leave of Absence
1640-1-20-.11  Appeals Procedure

1640-1-20-.01  INTRODUCTION.

(1) These rules implement the Tennessee Math & Science Teacher Loan Forgiveness Program authorized in T.C.A., Title 49, Chapter 4, Part 9 as amended by 2006 Tennessee Public Acts, Chapter 977 (hereinafter called the Act). The Act makes provision for loans and loan forgiveness to Tennessee tenured public school teachers seeking an advanced degree in math or science, or a certification to teach math or science. Loan forgiveness requires employment in a Tennessee public school system upon completion of the program.

(2) While the Act refers to the program as the “HOPE teacher’s scholarship,” the Corporation interprets the Act as establishing a loan forgiveness program because the Act requires the recipient to sign a promissory note that stipulates a repayment obligation under certain circumstances. In order to avoid confusion, the working title of the program shall be the “Tennessee Math & Science Teacher Loan Forgiveness Program.”


1640-1-20-.02  DEFINITIONS.

(1) As used in these rules (Chapter 1640-1-20)

(a) “Advanced Degree” means a master’s degree, a doctorate, or other degree conferred by an eligible postsecondary institution upon completion of a unified program of study at the graduate level.

(b) “Corporation” means the Tennessee Student Assistance Corporation.

(c) “Eligible Postsecondary Institution” means an eligible independent postsecondary institution or an eligible public postsecondary institution.

(d) “Eligible Independent Postsecondary Institution” means:

1. An institution created by testamentary trust for which the state acts by statute as trustee and for which the governor is authorized to appoint commissioners with the advice and consent of the senate and that offers courses leading to undergraduate degrees; or

2. A Southern Association of Colleges and Schools accredited private postsecondary institution that is located in Tennessee; or

March, 2007 (Revised)
3. A private, four-year postsecondary institution that:

   (i) Has been chartered in Tennessee as a not-for-profit entity for at least thirty (30) consecutive years;

   (ii) Has had its primary campus domiciled in Tennessee for at least thirty (30) consecutive years;

   (iii) Is accredited by an accrediting agency that is recognized by the United States Department of Education and the Council on Higher Education Accreditation;

   (iv) Awards baccalaureate degrees; and

   (v) As of May 1, 2005, has an articulation agreement with an institution of the state university and community college system or the University of Tennessee system.

(e) “Eligible Public Postsecondary Institution” means:

   1. An institution operated by the Tennessee Board of Regents of the state university and community college system; or

   2. An institution in the University of Tennessee system.

(f) “Grace period” means the three (3) month period of time which begins when the borrower either completes his or her eligible academic program or no longer meet the Math & Science Teacher Loan Forgiveness Program eligibility requirements, and during which period of time repayment is not required.

(g) “Loan forgiveness” means the partial or complete cancellation of a Math & Science Teacher Loan, as described elsewhere in these rules.

(h) “Math & Science Teacher Loan” means the scholarship referenced in T.C.A., Title 49, chapter 4, Part 9 in 2006 Public Acts, Chapter 977, § 1 at (a)(6).

(i) “Program Administrator” means the staff member of the Corporation who has been assigned administrative responsibility for the Math & Science Teacher Loan Forgiveness Program by the Corporation’s Executive Director.

(j) “Satisfactory Academic Progress” means a standard of progress toward completion of the eligible academic program during which the student meets minimum academic requirements and progresses towards an advanced degree or teacher certification as required by the eligible postsecondary institution.

(k) “Science” means the study of biology, botany, chemistry, physics, zoology, geology, and other natural and physical sciences.

(l) “Teacher certificate” means a certificate to indicate the holder’s qualification to teach math or science in a public school system.

(m) “Year of continuous full-time employment” means 9 to 12 months of continuous full-time employment.

1640-1-20-.03 ELIGIBILITY.

(1) In order to receive a Math & Science Teacher Loan, a student must:

(a) Be a citizen of the United States; and

(b) Be a citizen of Tennessee; and

(c) Be a resident of Tennessee, as defined by regulations promulgated by the Tennessee Board of Regents for the state university and community college system, under the authority of T.C.A. §49-8-104 where applicable for one (1) year immediately preceding the date of application; and

(d) Be a tenured teacher teaching in a Tennessee public school system; and

(e) Comply with the United States selective service system requirement for registration, as such requirements are applicable to the student; and

(f) Not be in default on a federal Title IV educational loan or Tennessee educational loan; and

(g) Be in compliance with federal drug-free rules and laws for receiving financial assistance; and

(h) Not be incarcerated; and

(i) Be admitted to and attend an eligible postsecondary institution seeking an advanced degree in math or a science or certification to teach math or a science; and

(j) Agree to teach math or a science in a Tennessee public school system two (2) academic years for each year funded provided by this program and sign a promissory note that stipulates the cash repayment obligation incurred if the teaching service is not fulfilled; and

(k) Maintain satisfactory academic progress in the teacher’s program of study with no minimum number of hours required per semester; and

(l) Complete the program of study within five (5) years beginning with the first term for which loan was funded; and

(m) Not allow a break in enrollment at an eligible postsecondary institution of more than twelve (12) months. If the break in enrollment exceeds twelve (12) months, the student enters the grace period followed by repayment, unless the student has received an approved leave of absence.

(2) Funding received from the Math & Science Teacher Loan Forgiveness Program shall not be used in pursuit of courses taken for re-certification in an area for which certification was previously obtained.

(3) A borrower who completes the program of study for which a Math & Science Teacher Loan was provided and who subsequently satisfies the terms of the loan in full, either through repayment or cancellation, is not prevented from participating in the Tennessee Math & Science Teacher Loan Forgiveness Program again, in order to gain certification or an advanced degree in a different area of math or science.


1640-1-20-.04 AWARD AMOUNT.
(Rule 1640-1-20-.04, continued)

(1) Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, a Math & Science Teacher Loan to a Tennessee public school teacher shall be two thousand dollars ($2,000) per academic year, regardless of the number of terms enrolled within that academic year. The total amount of a Math & Science Teacher Loan to a Tennessee public school teacher shall not exceed ten thousand dollars ($10,000) for all years required for the teacher’s program of study.

(2) The Corporation shall disburse Math & Science Teacher Loan funds directly to eligible postsecondary institutions, which shall in turn credit the borrower’s account or disburse funds to the eligible borrower with one credit or payment at the beginning of each academic term attended.


1640-1-20-.05 APPLICATION PROCESS.

(1) Tennessee tenured public school teachers shall submit to the Corporation an application and Promissory Note for a Math & Science Teacher Loan for each academic year of post-secondary enrollment.

(2) The application deadline is September 1 for students beginning the academic year in the fall, February 1 for students who begin the academic year in the spring, and May 1 for students who begin the academic year in the summer.


1640-1-20-.06 INTEREST.

(1) Interest shall not be charged for a Math & Science Teacher Loan.


1640-1-20-.07 REPAYMENT.

(1) The Math & Science Teacher Loan must be repaid unless cancelled as described elsewhere in these rules. Repayment will include the full amount of the loan received.

(2) Repayment shall begin at the end of the grace period, and shall be in monthly installments over a period of no more than eight (8) years, provided that payments must be a minimum of one hundred dollars ($100) per month.

(3) The Math & Science Teacher Loan may be prepaid in whole or part at any time without penalty.

(4) If the borrower of a Math or Science Teacher Loan is determined to have received the award based on inaccurate application information, the full amount of the loan becomes due immediately.

(5) If the borrower fails to complete an enrollment period for any reason, the eligible postsecondary institution shall apply its refund policy to determine whether a refund may be required and/or funds returned to the Corporation. If the borrower withdraws after the refund period is over, the postsecondary institution must follow the Return of Title IV guidelines, if applicable, to calculate any return of the Math & Science Teacher Loan.

March, 2007 (Revised)
(6) If a borrower issues a check, draft, warrant, or electronic funds transfer, which is subsequently returned to the Corporation due to insufficient funds, a stop payment order by the issuer, or any other reason, the payment to which these funds was applied shall be reversed on the borrower’s account. Additionally, the Corporation may charge a reasonable service fee for such a transaction.


1640-1-20-.08 DEFERMENT.

(1) Repayment shall be deferred while the borrower is employed as a math or science teacher in a Tennessee public school system.

(2) In order for repayment to be deferred, borrowers shall provide employment verification as a math or science public school teacher required by the Corporation.


1640-1-20-.09 CANCELLATION/FORGIVENESS.

(1) For each year of continuous full-time employment as a math or a science teacher in a Tennessee Public School System, the borrower shall receive a credit of fifty percent (50%) of one year’s loan amount. Cancellation credit will be applied at the end of each year and upon receipt of verification of such service. Cancellation credit cannot be earned prior to completion of the advanced degree or certification program.

(2) In order to receive cancellation credit, the borrower shall provide employment verification as required by the Corporation.

(3) Cancellation credit shall not begin until the borrower completes the program of study for which the loan was provided.

(4) The debt shall be cancelled on the basis of conclusive evidence that the borrower has died or has been totally and permanently disabled and cannot perform the teaching obligation outlined in the regulations. The borrower is not considered totally and permanently disabled on the basis of a condition that existed prior to the loan application. If, at any time subsequent to an initial determination of disability, the borrower’s condition improves to the point where a total and permanent disability no longer exists, the Corporation may reinstate any outstanding debt previously cancelled.


1640-1-20-.10 LEAVE OF ABSENCE.

(1) A student may be granted medical or personal leaves of absence from attendance at an eligible postsecondary institution and resume receiving the Math & Science Teacher Loan upon resumption of the student’s attendance at an eligible postsecondary institution so long as all other applicable eligibility criteria are met. An eligible postsecondary institution may grant leaves of absence only for medical or personal reasons. Allowable medical or personal reasons shall include, but not be limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship.
of the student or student’s immediate family, a military obligation of the student or family member, to
fulfill a religious commitment expected of all individuals of that faith, or other extraordinary
circumstances beyond the student’s control where continued attendance by the student creates a
substantial hardship. In the event an institution denies a student’s request for a medical or personal
leave of absence, the student may seek relief from the decision in accordance with Rule 1640-1-20-.11.

necessity rule filed November 20, 2006; effective through May 4, 2007. Original rule filed November 20, 2006;

1640-1-20-.11 APPEALS PROCEDURE.

(1) Generally, the ruling of the Corporation’s program administrator shall apply.

(2) An individual who believes that the ruling of the program administrator was not in accordance with the
published regulations and the Act may appeal to the authority of the Corporation’s Appeals Panel for
relief.

(3) An individual who believes that the ruling of the Corporation’s Appeals Panel was not in accordance
with the published regulation and the Act may appeal to the authority of the Corporation’s Board of
Director’s Appeal Committee. This is the final administrative remedy.

necessity rule filed November 20, 2006; effective through May 4, 2007. Original rule filed November 20, 2007;