

**TITLE 133
LEGISLATIVE RULE
WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION**

**SERIES 28
WEST VIRGINIA ENGINEERING, SCIENCE AND TECHNOLOGY
SCHOLARSHIP PROGRAM**

§133-28-1. General.

1.1. Scope. -- This rule clarifies and implements the West Virginia Engineering, Science and Technology Scholarship Program (WV STEM Program).

1.2. Authority. -- W. Va. Code §18C-6-1(b).

1.3. Filing Date. -- February 29, 2024.

1.4. Effective Date. -- March 29, 2024.

1.5. Sunset Provision. -- This rule shall terminate and have no further force or effect on August 1, 2029.

§133-28-2. Definitions.

2.1. Unless the context in which used clearly requires a different meaning, the definitions contained in W. Va. Code §§ 18B-1-2 and 18C-6-2 apply to this rule in addition to the definitions set forth below:

2.2. “Applicant” means a student who has applied for an initial award or renewal award of a West Virginia Engineering, Science, and Technology Scholarship, but has not yet been awarded the scholarship.

2.3. “Commission” means the Higher Education Policy Commission established by W. Va. Code § 18B-1B-1.

2.4. “Recipient” means a student who met the criteria for and received or is receiving the West Virginia Engineering, Science, and Technology Scholarship as provided in W. Va. Code § 18C6-1, et seq. and this rule.

2.5. “Vice Chancellor” means the Vice Chancellor for Administration, as that term is defined by W. Va. Code § 18B-4-2, or his or her designee.

§133-28-3. [Reserved]

§133-28-4. [Reserved].

§133-28-5. Number and Amount of Awards.

5.1. An award may not exceed the actual cost of tuition and fees at the eligible institution the recipient is attending or \$3,000, whichever is less. If the recipient received other aid to be applied to tuition and fees, the student may use the WV STEM Scholarship Program award for other education related expenses so long as the award does not exceed the amount of tuition and fees or \$3,000, whichever is less.

5.2. A WV STEM Scholarship Program award plus other financial assistance awarded to the recipient shall not exceed the cost of attendance as determined by the institution the student is attending. Cost of attendance shall include the cost of tuition and fees, reasonable allowances for books, educational supplies, room and board, and other expenses necessitated by individual circumstances such as a physical disability.

§133-28-6. Application Process.

6.1. To apply for the WV STEM scholarship, students shall complete the application on a form and by a deadline prescribed by the Vice Chancellor.

§133-28-7. Scholarship Agreements.

7.1. Recipients shall sign a scholarship agreement as outlined in W. Va. Code § 18C-6-4 and on a form provided by the Vice Chancellor.

7.2. In addition to academic criteria, the Vice Chancellor for Administration may consider the following in the selection of WV STEM Scholarship recipients: established statewide need for workers in STEM-related fields; student's current academic standing, standardized test scores, involvement in extracurricular activities, and financial need; a written essay in which the applicant expresses her/his interest in a career in STEM-related fields; and reference letters from former teachers or faculty members.

§133-28-8. Service Obligation.

8.1. Each recipient of the WV STEM Scholarship shall enter into an agreement with the Vice Chancellor for Administration in accordance with W. Va. Code § 18C-6-4, which agreement shall be on a form prescribed by the Vice Chancellor for Administration and contain at least the following:

8.1.1. Unless granted a deferment as set forth in Section 10, agree that within one year after ceasing to be a full time student at an eligible institution in an eligible STEM program for which the scholarship was awarded she or he shall:

8.1.1.a. Begin working full-time in an approved STEM field in this State for a duration of not less than one year for each year the scholarship was received, or

8.1.1.b. Begin repayment of all or part of the WV STEM Scholarship Program award(s) received plus interest and, if applicable, reasonable collection fees.

8.2. It is the responsibility of the recipient to provide the Vice Chancellor for Administration with evidence of compliance with the in-state employment requirement.

§133-28-9. Monetary Repayment.

9.1. A recipient who violates the service obligation or scholarship agreement shall repay the amount of any scholarship award received, plus interest, and, where applicable, reasonable collection fees on a schedule and at a rate as set forth below.

9.2. The Vice Chancellor for Administration shall charge interest at rate of five percent (5%) per year. Interest will begin to accrue at the time the repayment period begins.

9.3. As permitted by federal law, applicable State regulations, and the terms of the scholarship agreement, the Vice Chancellor may assess reasonable collection costs, late charges and attorney fees in the collection of delinquent accounts.

9.4. The length of the repayment period shall not exceed ten years. However, if extenuating circumstances exist, the Vice Chancellor for Administration, upon receipt of documentation sufficient to demonstrate the circumstance, may extend the period for fulfilling the obligation to 15 years. Extenuating circumstances include, but are not limited to, a temporary disability, inability to secure a full-time position in an approved STEM field, or serious family illness.

9.5. At any time during the repayment period described in Section 9.4, the Vice Chancellor may grant forbearance to the recipient in order to prevent the recipient from defaulting on the repayment obligation or to permit the recipient to resume honoring the repayment obligation after default.

9.5.1. For purposes of this Section, “forbearance” means permitting the temporary cessation of payments, allowing an extension of time for making payments, or temporarily accepting smaller payments than previously were scheduled.

9.5.2. The Vice Chancellor may grant forbearance of payments of principal and interest under this Section only if he or she reasonably believes, based upon documentation or other evidence provided by the recipient, that the recipient intends to repay the obligation but, due to poor health or other extenuating circumstances, is currently unable to make the scheduled payments.

9.6. If a recipient fulfills a portion of her or his employment obligation, but not the total obligation due, the Vice Chancellor shall pro-rate the repayment amount based upon number of full months the recipient worked. Interest will accrue from the day on which the recipient ceases to fulfill the obligation.

§133-28-10. Deferment Provisions.

10.1 In addition to the deferment conditions established in W. Va. Code § 18C-6-5, a recipient may be eligible for deferment of the repayment obligation based on extenuating circumstances, including disability, unemployment, or other economic hardship; *Provided*, That any such deferment granted by the Vice Chancellor shall be limited to no more than two years. The recipient’s request for deferment shall be accompanied by documentation of the extenuating circumstance sufficient to show the nature and extent of the circumstance.

10.1.1. If the Vice Chancellor approves the deferment request, the recipient may defer making scheduled installment payments and shall not be liable for any interest that might otherwise accrue during the approved deferment period.

10.1.2. In the event of noncompliance with the deferment terms, the recipient shall repay the full scholarship award to the Higher Education Policy Commission within 60 days from the date of noncompliance.

§133-28-11. Cancellation of Obligation.

11.1. A recipient’s service and monetary obligation is excused in the event the recipient:

11.1.1. Becomes permanently and totally disabled as established by sworn affidavit of a physician qualified to make such a determination.

11.1.2. Is deceased. The administrator or executor of the decedent’s estate shall submit copy of the death certificate to the Vice Chancellor in order to cancel the obligation.

§133-28-12. Appeal Process.

12.1 An applicant or institution may appeal in writing to the Vice Chancellor the denial of an application for an initial award or renewal award within 15 days of receiving notification of the decision. The Vice Chancellor shall issue a written decision upholding or reversing the initial decision within 15 days of receipt of the appeal. The decision of the Vice Chancellor is final.

§133-28-13. Collections.

13.1. Institutions and the Vice Chancellor shall exercise due diligence in collecting monetary repayments from scholarship recipients.

13.2. Institutional due diligence means conducting and documenting an exit interview with the scholarship recipient in which the institution provides the recipient with information necessary to carry out the terms of repayment, reminds the recipient of the rights and responsibilities associated with the scholarship funds, updates the recipient's personal information to assist in locating the recipient if he or she fails to keep the institution or the Vice Chancellor informed of his or her current address, and notifying the Vice Chancellor in writing of a recipient's separation date.

13.3. Vice Chancellor due diligence means:

13.3.1. Conducting and documenting an entrance interview with the scholarship recipient before disbursing funds in an academic year.

13.3.2. Notifying the scholarship recipient of his or her obligations at least twice annually during any grace or deferment period.

13.3.3. Performing regular billing.

13.3.4. Following up past due payments with a series of at least four documented and reasonably spaced attempts to contact the recipient using his or her last known contact information before the obligation becomes 120 days past due.

13.3.5. Performing searches for addresses and other contact information when necessary.

13.3.6. Referring defaulted scholarships more than 120 days past due to the Secretary of the Department of Administration or to a collection agent for collection of a claim due to the State in accordance with W. Va. Code § 14-1-1, et seq.

13.4. In place of one or more of the procedures outlined above, institutions and the Vice Chancellor may substitute collection techniques that are equally or more effective, *Provided*, That those collection techniques are allowed by State and federal law.