

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

**SERIES 26
UNDERWOOD-SMITH TEACHING SCHOLARS PROGRAM AND
TEACHER EDUCATION LOAN REPAYMENT PROGRAM**

§133-26-1. General.

1.1. Scope. This rule establishes guidelines and procedures which will direct the operation of the Underwood-Smith Teaching Scholars Program and the Teacher Education Loan Repayment Program.

1.2. Authority. West Virginia Code §§ 18C-4-1(b) and 18C-4A-1(c)

1.3. Filing Date. -- April 30, 2025.

1.4. Effective Date. -- May 30, 2025.

1.5. Sunset Date. -- This rule shall terminate and have no further force or effect upon August 1, 2030.

§133-26-2. 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-5-7 apply to this rule in addition to the definitions set forth below:

2.2. "Commission" means the Higher Education Policy Commission, as established by W. Va. Code § 18B-1B-1.

2.3. "Loan Assistance Agreement" means the contractual arrangement entered into between the recipient and the Commission that establishes the requirements the recipient must meet in order to obtain, retain, and renew a Teacher Education Loan Assistance award.

2.4. "Loan Assistance Award" means the Teacher Education Loan Repayment award established by W. Va. Code § 18C-4A-1, et seq.

2.5. "Recipient" or "Scholarship Recipient" means a student who has received an Underwood-Smith Teacher Scholarship or a Teacher Education Loan Repayment award.

2.6. "Scholarship" means the Underwood-Smith Teacher Scholarship established by W. Va. Code § 18C-4-1, et seq.

2.7. "Scholarship Agreement" means the contractual arrangement entered into between the recipient and the Commission that establishes the requirements the recipient must meet in order to obtain, retain, and renew an Underwood-Smith Teacher Scholarship.

2.8. "State Board" means the State Board of Education created by W. Va. Const. Art. XII, § 2 and defined in W. Va. Code § 18-1-1.

2.9. "Vice Chancellor for Administration" or "Vice Chancellor" means the person whose duties and responsibilities related to the administration of financial aid programs is established by W. Va. Code § 18B-4-2 or his or her designee.

§133-26-3. Funding. [Reserved]

§133-26-4. Administration.

4.1. The Commission and the State Board jointly shall ensure that Underwood-Smith Teaching Scholar award recipients receive additional academic support and training from mentors in their academic field beginning with the freshman year and continuing through degree completion and the teaching obligation.

4.2. Only those institutions that are accredited by an accreditor recognized by the U.S. Department of Education and offer State Board approved programs that lead to teacher certification and West Virginia licensure are eligible to participate in the Underwood-Smith Teaching Scholars Program.

4.3. The Vice Chancellor may deny participation in the Underwood-Smith Teaching Scholars Program to an otherwise eligible institution if:

4.3.1. The institution has not signed a participation agreement with the Commission; or

4.3.2. The U.S. Department of Education has deemed the institution ineligible to participate in federal student financial aid programs; or

4.3.3. The Vice Chancellor determines, based upon audits and/or administrative site visits, that the institution has mismanaged the Underwood-Smith Teaching Scholars Program or other State financial aid funds or lacks adequate institutional controls to manage such funds properly.

§133-26-5. [Reserved].

§133-26-6. Scholarship Application Process.

6.1. The Commission may distribute applications and advertise the programs in locations convenient to applicants, parents, and others in an effort to attract students from low income backgrounds, ethnic or racial minority students, students with disabilities, and women or minority students who show interest in pursuing teaching careers in critical teacher shortage areas and who are underrepresented in those fields. The Commission may also distribute applications and advertise the program in campus newspapers, agency exhibits, and publications directed at interested parties.

6.2. To apply for the Scholarship, students shall complete the application provided by the Commission by the deadline prescribed by the Vice Chancellor.

§133-26-7. Scholarship Eligibility Criteria.

7.1. Academic ability is the primary criteria for selecting scholarship recipients.

7.2. The Underwood-Smith Teaching Scholars Program award is limited to students who:

7.2.1. Have graduated or are graduating from high school with a cumulative grade point average of at least 3.25 on a 4.0 scale.

7.2.2. Have met the college algebra ready assessment standards and college readiness English, reading, and writing standards as established by the Commission.

7.2.3. Meet any and all selection criteria established by the Vice Chancellor for Administration which may include, but is not limited to, involvement in extracurricular activities, financial need, current academic standing, expression of interest as demonstrated in a self-written essay, and letters of recommendation.

7.2.4. Agree to teach in a critical teacher shortage field at the elementary, middle, or secondary level in a public school in the State.

7.3. To be eligible for an award, the applicant must be a citizen of the United States or if a non-citizen, that individual must hold a valid Employment Authorization Document (EAD), or work permit, issued by the United States Citizenship and Immigration Services (USCIS).

7.4. Recipients shall sign a scholarship agreement which shall fully disclose the terms and conditions under which the recipient must meet a teaching obligation or repay the award.

7.4.1. A recipient may appeal any determination of non-compliance with provisions of the scholarship agreement or provisions of the award by submitting the specific complaint in writing within 30 days of notification of non-compliance to the Vice Chancellor.

7.4.2. The Commission shall not disburse any Underwood-Smith funds until the recipient signs the scholarship agreement and submits it to the Vice Chancellor.

7.5. The recipient has four academic years from the date of the award, or until the recipient meets the requirements to obtain a bachelor's degree, whichever comes first, to utilize the Scholarship: *Provided*, That the Vice Chancellor may hold the Scholarship in abeyance for the recipient for up to two years if the recipient provides documentation that he or she is experiencing extenuating circumstances as specified in Subsection 8.2 below and has taken an approved leave of absence from his or her institution.

§133-26-8. Scholarship Renewal Conditions.

8.1. The recipient of an Underwood-Smith Teaching Scholars award is eligible for scholarship renewal if he or she meets the following conditions:

8.1.1. Is enrolled as a full-time student in an institution of higher education in West Virginia accredited by an accreditor recognized by the U.S. Department of Education;

8.1.2. Is pursuing a State Board-approved program of study leading to teacher certification and West Virginia licensure in a critical teacher shortage field at the elementary, middle, or secondary level;

8.1.3. Is maintaining satisfactory academic progress as determined by the institution of higher education the recipient is attending;

8.1.4. Is maintaining a grade point average of at least 3.0 on a 4.0 scale; and

8.1.5. Is in compliance with any other standards the Commission may establish.

8.2. Recipients may request that the Commission defer their Scholarship for up to two years for medical, family bereavement, financial hardship, or other extraordinary circumstances for which the recipient's institution has granted the recipient a leave of absence: *Provided*, That such deferment does not extend the recipient's eligibility for the Scholarship for more than six total academic years.

§133-26-9. Scholarship Service Obligation.

9.1. Each recipient of the Scholarship shall enter into an agreement with the Commission that, within one year after completing the teacher education program, the recipient shall:

9.1.1. Teach full-time in a critical teacher shortage field under contract with a county board of education in a public education program in West Virginia for a period of five consecutive years.

9.1.2. Perform substitute teaching duties with a county board of education in West Virginia in a critical teacher shortage field at the elementary, middle, or secondary level. Credit received will be pro-rated based on the number of days in the public school system year. A minimum of 60 days of substitute teaching is required to earn any credit toward the teaching obligation.

9.2. If extenuating circumstances exist as provided in Subsection 8.2 above, the Vice Chancellor for Administration may extend the period for fulfilling the obligation.

9.3. It is the responsibility of the recipient to provide the Vice Chancellor for Administration with evidence of compliance with teaching requirements by submitting verification of employment on a form provided by the Vice Chancellor by the deadline established by the Vice Chancellor. If the recipient fails to timely submit the employment verification, then the recipient is subject to repayment of the Scholarship in accordance with Section 10 below.

§133-26-10. Scholarship Repayment.

10.1. If a recipient does not fulfill the service obligation, the recipient shall repay the full amount of the scholarship to the Commission.

10.2. In addition to the repayment of the scholarship, the Commission shall charge interest at a rate prescribed by the Vice Chancellor for Administration, which will begin to accrue at the time the repayment period begins.

10.3. Interest shall accrue from the day on which the recipient ceased to fulfill his or her service obligation if the recipient fulfills only a portion of the obligation and is not in an approved forbearance period as provided in Subsection 10.8, or if a recipient is substitute teaching but does not earn enough credit to fulfill any of the obligation and is not in an approved forbearance period as provided in Subsection 10.8.

10.4. In the event of non-compliance, the recipient shall remit payment in full to the Commission within 60 days from the date of non-compliance. In the event of extenuating circumstances, the Vice Chancellor for Administration may approve an alternate payment plan or extend the time period for beginning or fulfilling the teaching obligation.

10.5. A recipient is not in violation of the scholarship agreement while the recipient is:

10.5.1. Pursuing a full-time course of study at an accredited institution of higher education;

10.5.2. Serving, not in excess of four years, as a member of the armed services of the United States; or

10.5.3. Failing to comply with the terms of the agreement due to death or permanent or temporary disability as established by sworn affidavit of a qualified physician.

10.6. As permitted by federal and state law and the terms of the scholarship agreement, the Commission may assess reasonable collection costs, late charges, and attorney fees in the collection of delinquent accounts.

10.7. If extenuating circumstances exist, the Vice Chancellor for Administration, upon receipt of appropriate documentation, may extend the period for fulfilling the obligation. Extenuating circumstances include, but are not limited to, a temporary disability, inability to secure a full-time teaching position, or serious family illness.

10.8. At any time during the repayment period described herein, 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.

10.8.1. For purposes of this Subsection, “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.

10.8.2. The Vice Chancellor may grant forbearance of payments of principal and interest under this Subsection 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.

§133-26-11. Cancellation of Scholarship Service Obligation.

11.1. The Vice Chancellor may cancel a recipient’s service obligation if the recipient:

11.1.1. Becomes permanently and totally disabled as documented by the sworn affidavit of a qualified physician submitted to the Vice Chancellor; or

11.1.2. Dies during the obligation period. The administrator or executor of the recipient’s estate shall submit a copy of the death certificate to the Vice Chancellor.

11.2. The Commission reserves the right to attempt to collect any and all debts due to the State through the process established in W. Va. Code § 14-1-1, et seq. and Section 13 below.

§133-26-12. Relationship to Other Financial Assistance.

12.1. Underwood-Smith Teaching Scholars Program awards plus other financial assistance shall not exceed the cost of attendance at the institution the student is attending. A financial aid officer at the school the recipient is attending shall provide both to the Commission and to the recipient the cost of attendance. Cost of attendance includes 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.

12.2. Should the scholarship award plus the amount of other financial awards exceed the cost of attendance, the institution’s financial aid officer, in consultation with the recipient, will determine what aid will be reduced. This adjustment shall be to the best advantage of the recipient.

12.3. Institutions shall allow flexibility in the use of institution based financial aid awards so that they can be used in conjunction with the scholarship.

§133-26-13. 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:

13.2.1. Conducting and documenting an entrance interview (individually or in groups) with the scholarship recipient before disbursing funds in an academic year. This requirement may be met by written correspondence if the institution determines that a face-to-face meeting is not practical.

13.2.2. 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 the scholarship agreement, reminds the recipient of the rights and responsibilities associated with the scholarship, and updates the recipient's personal information to assist in locating the recipient if he or she fails to keep the institution or the Commission informed of his or her current address.

13.3. Vice Chancellor due diligence means:

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

13.3.2. Performing regular billing;

13.3.3. Following up past due payments with a series of at least four documented and reasonably spaced attempts to contact the borrower, at least three of which must be in writing at not more than 30-day intervals, before the obligation becomes 150 days past due, provided that the Commission has a current address for the borrower;

13.3.4. Performing address searches when necessary; and

13.3.5. Referring defaulted scholarships more than 150 days past due to the Secretary of the Department of Administration or to a collection agent in accordance with W. Va. Code § 14-1-18a.

13.4. The Commission reserves the right to attempt to collect any and all debts due to the State through the process established in W. Va. Code § 14-1-1, et seq.

§133-26-14. Teacher Education Loan Repayment Program Eligibility.

14.1. The Higher Education Student Financial Aid Advisory Board or its designee shall select recipients to participate in the Teacher Education Loan Repayment Program.

14.2. Eligibility for a loan repayment award is limited to an individual who is currently employed in a public school in West Virginia as a teacher in a critical teacher shortage field or as a school counselor at the elementary, middle, or secondary level in a school or geographic area of critical need.

14.3. The Higher Education Student Financial Aid Advisory Board shall give priority to new teachers and teachers who have previously received a loan assistance award and who agree to teach or are currently teaching a subject area of critical need in a State public school, or are employed as a school counselor at the elementary, middle, or secondary level currently in a geographic area of the State identified as an area of critical need for such a field.

14.4. The Commission shall consult with the State Department of Education annually to determine the subject areas of critical need and the geographic areas of the State in critical need.

§133-26-15. Loan Repayment Program Application.

15.1. The Commission and the Department shall provide application forms to public and private schools in the State via their respective websites and in other locations convenient to potential applicants.

15.2. To apply for the Teacher Education Loan Repayment Program, students shall complete the application provided by the Commission by the deadline prescribed by the Vice Chancellor.

§133-26-16. Loan Repayment Program Agreement.

16.1. Before receiving an award, each eligible teacher shall enter into a loan assistance agreement with the Commission acknowledging that the recipient must fulfill the service obligation of the award or the Commission will cancel it.

16.2. Recipients shall be employed full-time as a teacher or school counselor in a public school in West Virginia in a subject area or geographic area of critical need under contract with a county board for a period of two school years for each year during which the recipient receives loan assistance.

16.3. The Vice Chancellor for Administration may grant a partial award to an eligible recipient whose contract term is for less than a full school year. A partial award is calculated by prorating the full award amount based upon the number of days taught in the school's calendar year.

§133-26-17. Loan Repayment Program Awards.

17.1. Each award recipient is eligible to receive loan assistance not less than \$3,000 annually.

17.1.1. The Vice Chancellor shall determine the loan amount annually.

17.1.2. The loan amount is based upon funding availability.

17.2. The Commission shall pay awards to the recipient's educational loan provider, not directly to the recipient, only after the Commission determines that the recipient has complied with all the terms of the loan assistance agreement.

17.3. The Commission may terminate a recipient's award if the recipient does not comply with the terms of the loan assistance agreement.

17.4. Award amounts shall not exceed the applicant's outstanding loan balance.

17.5. Loans eligible for the loan repayment award are federal student loans in the applicant's name that were used for educational costs associated with obtaining a degree in school counseling, teaching, or a teaching credential. Parent PLUS Loans are not eligible for loan repayment assistance.

17.6. Loan repayment awards shall not reimburse recipients for payments on loans already made.

17.7. The Higher Education Student Financial Aid Advisory Board shall consider federal teacher loan forgiveness programs when calculating awards.

133CSR26

17.8. Recipients shall annually submit proof of fulfillment of the terms of the loan assistance agreement to the Commission in accordance with the loan assistance agreement. The Vice Chancellor may cancel the award if the recipient does not submit proof of fulfillment of the terms of the loan assistance agreement by the required deadline.

17.9. The Vice Chancellor will remit half of the annual award after the recipient fulfills the first year of the service obligation required by the loan assistance agreement and the second half of the annual award after the recipient fulfills the second year of the service obligation.

§133-26-18. Loan Repayment Program Renewals.

18.1. The recipient is eligible for renewal of loan assistance only during the periods when the recipient is under contract with a county board to teach in a critical teacher shortage field or serve as a school counselor at the elementary, middle, or secondary level in a school or geographic area of critical need.

18.2. A renewal applicant shall complete the obligations of previous loan assistance agreements before the Vice Chancellor may renew an award.

18.3. A renewal applicant who is teaching or serving as a school counselor under a contract with a county school board in a position that is no longer listed as critical need per Subsection 14.4 above is no longer eligible for renewal of the loan assistance award.

18.4. Based on the availability of funds, the Vice Chancellor may establish a total cumulative amount of the loan assistance award that a recipient can receive.

§133-26-19. Cancellation of Loan Repayment Service Obligation.

19.1. The Vice Chancellor may cancel a recipient's service obligation under the same conditions and in the same manner as set forth in Section 11 of this rule.

§133-26-20. Loan Assistance Deferment.

20.1. The Vice Chancellor may defer a recipient's service obligation if the recipient experiences extenuating circumstances as described in Subsection 8.2 of this rule.