

***Federal Guidelines***  
**Attached Scholar Sections**

TITLE 34--EDUCATION

CHAPTER III--OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES,  
DEPARTMENT OF EDUCATION

PART 304\_SERVICE OBLIGATIONS UNDER SPECIAL EDUCATION\_PERSONNEL DEVELOPMENT  
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Subpart C\_Conditions That Must Be Met by Scholar

Sec. 304.30 Requirements for scholar.

Individuals who receive scholarship assistance from grantees funded under section 662 of the Act must--

(a) Training. Receive the training at the educational institution or agency designated in the scholarship;

(b) Educational allowances. Not accept payment of educational allowances from any other entity if that allowance conflicts with the scholar's obligation under section 662 of the Act and this part;

(c) Satisfactory progress. Maintain satisfactory progress toward the degree, certificate, endorsement, or license as determined by the grantee;

(d) Service obligation. Upon exiting the training program under paragraph (a) of this section, subsequently maintain employment--

(1) On a full-time or full-time equivalent basis; and

(2) For a period of at least two years for every academic year for which assistance was received;

(e) Eligible employment. In order to meet the requirements of paragraph (d) of this section for any project funded under section 662 of the Act, be employed in a position in which--

(1) At least 51 percent of the infants, toddlers, and children to whom the individual provides services are receiving special education, related services, or early intervention services from the individual;

(2) The individual spends at least 51 percent of his or her time providing special education, related services, or early intervention services to infants, toddlers, and children with disabilities; or

(3) If the position involves supervision (including in the capacity of a principal), teaching at the postsecondary level, research, policy, technical assistance, program development, or administration, the individual spends at least 51 percent of his or her time performing work related to the training for which a scholarship was received under section 662 of the Act.

(f) Time period. Meet the service obligation under paragraph (d) of this section as follows:

(1) A scholar must complete the service obligation within the period ending not more than the sum of the number of years required in paragraph (d)(2) of this section, as appropriate, plus five additional years, from the date the scholar completes the training for which the scholarship assistance was awarded.

(2) A scholar may begin eligible employment subsequent to the completion of one academic year of the training for which the scholarship assistance was received that otherwise meets the requirements of paragraph (1);

(g) Part-time scholars. If the scholar is pursuing coursework on a part-time basis, meet the service obligation in this section based on the accumulated academic years of training for which the scholarship is

received;

(h) Information upon exit. Provide the grantee all requested information necessary for the grantee to meet the exit certification requirements under Sec. 304.23(c);

(i) Information after exit. Within 60 days after exiting the program, and as necessary thereafter for any changes, provide the Department, via U.S. mail, all information that the Secretary needs to monitor the scholar's service obligation under this section, including social security number, address, employment setting, and employment status;

(j) Repayment. If not fulfilling the requirements in this section, subject to the provisions in Sec. 304.31 regarding an exception or deferral, repay any scholarship received, plus interest, in an amount proportional to the service obligation not completed as follows:

(1) The Secretary charges the scholar interest on the unpaid balance owed in accordance with the Debt Collection Act of 1982, as amended, 31 U.S.C. 3717.

(2)(i) Interest on the unpaid balance accrues from the date the scholar is determined to have entered repayment status under paragraph (4) of this section.

(ii) Any accrued interest is capitalized at the time the scholar's repayment schedule is established.

(iii) No interest is charged for the period of time during which repayment has been deferred under Sec. 304.31.

(3) Under the authority of the Debt Collection Act of 1982, as amended, the Secretary may impose reasonable collection costs.

(4) A scholar enters repayment status on the first day of the first calendar month after the earliest of the following dates, as applicable:

(i) The date the scholar informs the grantee or the Secretary that

the scholar does not plan to fulfill the service obligation under the agreement.

(ii) Any date when the scholar's failure to begin or maintain employment makes it impossible for that individual to complete the service obligation within the number of years required in Sec. 304.30(f).

(iii) Any date on which the scholar discontinues enrollment in the course of study under Sec. 304.30(a).

(5) The scholar must make payments to the Secretary that cover principal, interest, and collection costs according to a schedule established by the Secretary.

(6) Any amount of the scholarship that has not been repaid pursuant to paragraphs (j)(1) through (j)(5) of this section will constitute a debt owed to the United States that may be collected by the Secretary in accordance with 34 CFR part 30.

(Approved by the Office of Management and Budget under control number 1820-0622)

(Authority: 20 U.S.C. 1462(h))

[Code of Federal Regulations]

[Title 34, Volume 2]

[Revised as of July 1, 2006]

From the U.S. Government Printing Office via GPO Access

[CITE: 34CFR304.31]

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Subpart C\_Conditions That Must Be Met by Scholar

Sec. 304.31 Requirements for obtaining an exception or deferral to performance or repayment under an agreement.

(a) Based upon sufficient evidence to substantiate the grounds, the Secretary may grant an exception to the repayment requirement in Sec. 304.30(j), in whole or part, if the scholar--

- (1) Is unable to continue the course of study in Sec. 304.30 or perform the service obligation because of a permanent disability; or
- (2) Has died.

(b) Based upon sufficient evidence to substantiate the grounds, the Secretary may grant a deferral of the repayment requirement in Sec. 304.30(j) during the time the scholar--

- (1) Is engaging in a full-time course of study at an institution of higher education;

(2) Is serving on active duty as a member of the armed services of the United States;

(3) Is serving as a volunteer under the Peace Corps Act; or

(4) Is serving as a full-time volunteer under title I of the Domestic Volunteer Service Act of 1973.

(Authority: 20 U.S.C. 1462(h))

Effective Date Note: At 71 FR 32398, June 5, 2006, part 304 was revised, effective July 5, 2006.