

§ 2525.10

Holder means—

- (1) The original lender; or
- (2) Any other entity to which a loan is subsequently sold, transferred, or assigned if such entity acquires a legally enforceable right to receive payments from the borrower.

Institution of higher education has the same meaning given the term in section 102 of the Higher Education Act of 1965, as amended (20 U.S.C. 1002).

Period of enrollment means the period that the institution has established for which institutional charges are generally assessed (*e.g.*, length of the student's course, program, or academic year.)

Qualified student loan means:

- (1) Any loan made, insured, or guaranteed under Title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 *et seq.*), other than a loan to a parent of a student under section 428B of that Act (20 U.S.C. 1078-2);
- (2) Any loan made under Title VII or VIII of the Public Service Health Act (42 U.S.C. 292a *et seq.*); or
- (3) Any other loan determined by an institution of higher education or an approved veterans' benefits program to be necessary to cover a student's educational expenses and made, insured, or guaranteed by:
 - (i) An eligible lender, as defined in section 435 of the Higher Education Act of 1965 (20 U.S.C. 1085);
 - (ii) The direct student loan program under part D of Title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a *et seq.*);
 - (iii) A State agency; or
 - (iv) A lender otherwise determined by AmeriCorps to be eligible to receive disbursements from the National Service Trust.

Silver Scholar education award means the financial assistance available under this part for which an individual in an approved Silver Scholar position may be eligible.

Summer of Service education award means the financial assistance available under this part for which an individual in an approved Summer of Service position may be eligible.

Term of service means—

- (1) For an individual serving in an approved AmeriCorps position, one of the

45 CFR Ch. XXV (10–1–23 Edition)

terms of service specified in § 2522.220 of this chapter

- (2) For an individual serving in an approved Silver Scholar position, not less than 350 hours during a one-year period

- (3) For an individual serving in an approved Summer of Service position, not less than 100 hours during the summer months of a single year.

Subpart B—Eligibility for an Education Award

§ 2525.10 When can an Eligible Individual receive an education award from the National Service Trust?

(a) *General.* An Eligible Individual is entitled to receive an education award from the National Service Trust if that person:

- (1) Is a citizen or national of the United States or a lawful permanent resident alien of the United States; and,

- (2) Met the applicable eligibility requirements for the approved national service program as appropriate; and,

- (3) Either:

- (i) Is certified by their supervising entity to have successfully completed a term of service—whether a full-time 1,700-hour term corresponding to a full education award or a less than full-time term of service with a corresponding partial award amount described in § 2525.100(b)—as certified under § 2525.15; or

- (ii) For a pro-rated education award amount described in § 2525.100(c), is certified by their supervising entity to have completed at least 15 percent of the originally-approved term of service and performed satisfactorily prior to being granted a release for compelling personal circumstances, consistent with § 2522.230(a) of this chapter.

(b) *Prohibition on duplicate benefits.* An Eligible Individual who receives a post-service benefit in lieu of an education award may not receive an education award for the same term of service.

(c) *Penalties for false information.* Any individual who makes a materially false statement or representation in connection with the approval or disbursement of an education award or

Corporation for National and Community Service

§ 2525.30

other payment from the National Service Trust may be liable for the recovery of funds and subject to civil and criminal sanctions.

§ 2525.15 Upon what basis may an entity responsible for the supervision of an Eligible Individual certify that the Eligible Individual successfully completed a term of service?

(a) An Eligible Individual's supervising entity must certify that the individual has successfully completed a term of service. The individual successfully completed a term of service if the individual has:

- (1) Completed the number of service hours required;
- (2) Satisfactorily performed on assignments, tasks, or projects;
- (3) Met any performance criteria as determined by the program and communicated to the member; and
- (4) Fulfilled any other enrollment and program requirements to earn an education award.

(b) A certification by the supervising entity that an individual did or did not successfully complete a term of service will be deemed to incorporate an end-of-term evaluation.

§ 2525.20 Under what circumstances is an Eligible Individual who does not complete an approved term of service eligible to receive a pro-rated education award?

(a) *Release for compelling personal circumstances.* An Eligible Individual who is released before they complete an approved term of service is eligible for a pro-rated education award if their supervising entity:

- (1) Released the Eligible Individual for compelling personal circumstances in accordance with the requirements of § 2522.230(a) of this chapter, including requirements for maintaining documentation of the basis for the entity's decision;
- (2) Certifies that the Eligible Individual:
 - (i) Performed satisfactorily before they were granted a release for compelling personal circumstances; and
 - (ii) Completed at least 15 percent of the originally approved term of service.
- (b) *Release for cause.* An individual who is released for cause before they

completed an originally approved term of service is not eligible for any portion of an education award.

§ 2525.25 If a participant in an approved Summer of Service or Silver Scholar position does not complete their term of service, are they eligible to receive a pro-rated education award?

No. An individual released for any reason before they complete an approved term of service in a Silver Scholar or Summer of Service position is not eligible to receive a pro-rated award.

§ 2525.30 How do convictions for the possession or sale of controlled substances affect an Eligible Individual's ability to use their award?

(a) Except as provided in paragraph (b) of this section, an Eligible Individual who is convicted under Federal or State law of the possession or sale of a controlled substance is not eligible to use his or her education award from the date of the conviction until the end of a specified time period, which is determined based on the type of conviction as follows:

(1) For conviction of the possession of a controlled substance, the individual is ineligible from the date of conviction for—

- (i) One year for a first conviction;
- (ii) Two years for a second conviction; and
- (iii) For a third or subsequent conviction, indefinitely, as determined by AmeriCorps according to the following factors:

- (A) Type and amount of controlled substance;
- (B) Whether firearms or other dangerous weapons were involved in the offense;
- (C) Employment history;
- (D) Service to the community;
- (E) Recommendations from community members and local officials, including experts in substance abuse and treatment; and
- (F) Any other relevant aggravating or ameliorating circumstances.

(2) For conviction of the sale of a controlled substance, the individual is ineligible from the date of conviction for—

§ 2525.40

(i) Two years for a first conviction; and

(ii) Two years plus any additional time AmeriCorps determines is appropriate for second and subsequent convictions, based on the factors set forth in paragraphs (a)(1)(iii)(A) through (F) of this section.

(b) AmeriCorps will restore the Eligible Individual's access to use the education award if AmeriCorps determines that the individual has successfully completed a legitimate drug rehabilitation program, or in the case of a first conviction that the individual has enrolled in a legitimate drug rehabilitation program and:

(1) The drug rehabilitation program is recognized as legitimate by appropriate Federal, State, or local authorities; and

(2) The Eligible Individual's enrollment in or successful completion of the legitimate drug rehabilitation program has been certified by an appropriate official of that program.

§ 2525.40 How long is an education award available for use?

Unless AmeriCorps approves an extension under § 2525.42, the use period for an education award is as follows:

(a) An education award is available for an Eligible Individual to use until seven years from the date when they successfully completed the term of service for which the award was earned;

(b) An education award that is transferred to a Designated Recipient under subpart F of this part may be used until 10 years from the date when the Eligible Individual who transferred the award successfully completed their term of national service.

§ 2525.41 When must an application for an extension be submitted?

An application for an extension must be submitted to AmeriCorps before the award use period ends, or the individual must have been unavoidably prevented from timely submitting the extension application.

45 CFR Ch. XXV (10–1–23 Edition)

§ 2525.42 Under what circumstances will AmeriCorps grant an extension?

(a) AmeriCorps will automatically grant an extension to the use period of an education award if the individual served and successfully completed a term of service in an approved national service position that fell within the use period for that education award and applies for an extension under § 2525.41.

(1) The use period will be extended by the length of the individual's additional approved and completed term of service at the time of the extension application.

(2) For purposes of this extension, AmeriCorps will treat all service in AmeriCorps and the Peace Corps as service in another AmeriCorps-approved national service position.

(3) If the additional of service is in the Peace Corps, the individual requesting an extension will need to provide a Description of Service, signed by the country's director or designee for the Peace Corps service.

(b) If AmeriCorps determines that an Eligible Individual or Designated Recipient was unavoidably prevented from using the education award during the original use period, AmeriCorps may grant an extension for a period of time that AmeriCorps deems appropriate, but generally not for more than one year from the end of the original use period. Also, AmeriCorps will grant only one extension of the use period except in very limited circumstances, such as, for example, when the event preventing the member from timely using their education award is likely to exist for more than 12 months, such as active military duty.

(1) Examples of situations that may warrant an extension if they hinder use of an education award may include, but are not limited to:

(i) The Eligible Individual's serious illness, injury, or disability;

(ii) The death, serious illness, injury, or disability of someone in the Eligible Individual's immediate family that occurs close to the end of the use period;

(iii) The destruction or inaccessibility of important service records maintained by the program;

(iv) Natural disasters;

(v) Military service that prevents the use of an education award, such as active duty overseas (but a person in the reserves or National Guard who has not been called up on active duty, or who is enlisted in the military, is not necessarily unavoidably prevented from timely using their education award because of their military service).

(2) When considering whether to grant an extension, AmeriCorps also will consider whether:

(i) The extension is a result of the individual's choices or actions or factors beyond the individual's control;

(ii) The need for the extension is in any part attributable to AmeriCorps' or an AmeriCorps-funded entity's actions;

(iii) The lending institution or institution entitled to the payment failed to take an action, or took an action, that resulted in the individual needing/wanting the extension.

(c) Examples of circumstances that do not meet the criteria for granting an extension may include but are not limited to:

(1) Employment or unemployment, even in a position with a non-profit organization involved in community service.

(2) Forgetting to use the education award, being unaware of the use-period restrictions, or not receiving his or her education award expiration notice.

(3) Being too young to use a transferred education award.

§ 2525.43 What if the request for an extension is missing information or documentation?

If the extension application lacks necessary information or documentation, AmeriCorps may request additional documentation. If the requested additional documentation is not provided to AmeriCorps within 30 days, AmeriCorps may close the request for an extension.

§ 2525.44 How will AmeriCorps notify the Eligible Individual or Designated Recipient of its decision on the extension request?

AmeriCorps will notify the Eligible Individual or Designated Recipient in writing if the request for an extension has been granted or denied. The notification will advise the requester of the

process for appealing the denial if the requester has a good-faith basis to believe their request was erroneously denied.

§ 2525.45 Can an Eligible Individual or Designated Recipient appeal a denied request for an extension?

(a) If an Eligible Individual or Designated Recipient submits a timely application for an extension and the application is denied, the individual may file an appeal. The appeal must:

(1) Be received within 30 days of the denial determination;

(2) Be made in writing—either online through the *My AmeriCorps* portal if the education award has not expired—or through a submission to the National Service Hotline at 1-800-942-2677;

(3) Explain why the initial determination was erroneous/should be reviewed; and,

(4) Include supporting documentation, if applicable.

(b) AmeriCorps may grant an appeal when, after review of all the information provided originally and on appeal, it appears that the extension should have been granted. AmeriCorps may ask for additional documentation to inform the appeal determination.

(c) Individuals who submit appeals will be notified in writing of the final determination.

§ 2525.50 Is there a limit on the total amount of education awards an individual may receive?

(a) *General limitation.* While there is no limit on the specific dollar amount, no individual may receive more than the amount equal to the aggregate value of two full-time education awards.

(b) *Calculation of aggregate value of awards received.* The aggregate value of education awards received is the sum of:

(1) The value of each education award received for successful completion of an approved national service position;

(2) The value of each partial education award received upon release from an approved national service position for compelling personal circumstances; and

(3) The value of any amount received from a transferred education award, except as provided in § 2525.460.

§ 2525.55

(c) *Determination of receipt of award.* For purposes of determining the aggregate value of education awards, an award is considered to be received at the time it becomes available for use.

§ 2525.55 What is the impact of the aggregate value of education awards received on an individual's ability to serve in additional terms of service?

The aggregate value of education awards received does not limit an individual's ability to serve in additional terms of service, but does impact the amount of the education award the individual may receive pursuant to § 2525.100(d) upon successful completion of any additional term of service.

§ 2525.60 May an individual receive an education award and related interest benefits from the National Service Trust as well as other loan cancellation benefits for the same term of service?

An individual may not receive an education award and related interest benefits from the National Service Trust for a term of service and have that same service credited toward repayment, discharge, or cancellation of other student loans, except an individual may credit the service toward the Public Service Loan Forgiveness Program, as provided under 34 CFR 685.219.

§ 2525.70 What are the effects of an erroneous certification of successful completion of a term of service?

(a) If AmeriCorps determines that the certification made by a national service program under § 2525.10(a)(2) is erroneous, AmeriCorps shall assess against the national service program a

45 CFR Ch. XXV (10–1–23 Edition)

charge for the amount of any associated payment or potential payment from the National Service Trust, taking into consideration the full facts and circumstances that led to the erroneous or incorrect certification.

(b) If AmeriCorps determines that the certification made is knowingly false or inaccurate, AmeriCorps will disallow the education award and/or initiate a debt collection process for any education award funds disbursed.

(c) Nothing in this section prohibits AmeriCorps from taking any action authorized by law based upon any certification that is knowingly made in a false, materially misleading, or fraudulent manner.

Subpart C—Determining the Amount of an Education Award

§ 2525.100 What is the amount of an education award?

(a) *Full-time term of service.* Except as provided in paragraph (d) of this section, the education award for a full-time term of service in an approved national service position of at least 1,700 hours will be equal to the maximum amount of a Federal Pell Grant under section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a) that a student eligible for that grant may receive in the aggregate for the award year in which the term of service is approved by AmeriCorps.

(b) *Less than full-time term of service.* Except as provided in paragraph (d) of this section, the amount of an education award for an approved national service position for less than full-time term of service (*i.e.*, partial award) is determined in accordance with the following table:

TABLE 1 TO PARAGRAPH (b)

For:	In an approved position of at least: (hours)	Is equal to the following percentage of the amount of an education award for a full-time term of service described in paragraph (a) of this section:
Three quarters time term of service (TQT)	1,200	70 percent.
Half-time term of service (HT)	900	50 percent.
Reduced half-time term of service (RHT)	675	Approximately 39 percent.
Quarter-time term of service (QT)	450	Approximately 26 percent.
Minimal time and summer associate (MT & SA)	300	Approximately 21 percent.
Abbreviated time (AT)	100	5.6 percent.