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PART 304—SERVICE OBLIGATIONS UNDER SPECIAL EDUCATION—PERSONNEL DEVELOPMENT TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES

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AUTHORITY: 20 U.S.C. 1462(h), unless otherwise noted.

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Subpart A—General

§ 304.1 Purpose.

Individuals who receive scholarship assistance from projects funded under the Special Education—Personnel Development to Improve Services and Results for Children with Disabilities program are required to complete a service obligation, or repay all or part of the costs of such assistance, in accord-

ance with section 662(h) of the Act and the regulations of this part.

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

§ 304.3 Definitions.

The following definitions apply to this program:

- (a) *Academic year* means—
 - (1) A full-time course of study—
 - (i) Taken for a period totaling at least nine months; or
 - (ii) Taken for the equivalent of at least two semesters, two trimesters, or three quarters; or
 - (2) For a part-time scholar, the accumulation of periods of part-time courses of study that is equivalent to an “academic year” under paragraph (a)(1) of this definition.
- (b) *Act* means the Individuals with Disabilities Education Act, as amended, 20 U.S.C. 1400 *et seq.*
- (c) *Early intervention services* means early intervention services as defined in section 632(4) of the Act and includes early intervention services to infants and toddlers with disabilities, and as applicable, to infants and toddlers at risk for disabilities under sections 632(1) and 632(5)(b) of the Act.
- (d) *Full-time*, for purposes of determining whether an individual is employed full-time in accordance with § 304.30 means a full-time position as defined by the individual’s employer or by the agencies served by the individual.
- (e) *Related services* means related services as defined in section 602(26) of the Act.
- (f) *Repayment* means monetary reimbursement of scholarship assistance in lieu of completion of a service obligation.

(g) *Scholar* means an individual who is pursuing a degree, license, endorsement, or certification related to special education, related services, or early intervention services and who receives scholarship assistance under section 662 of the Act.

(h) *Scholarship* means financial assistance to a scholar for training under the program and includes all disbursements or credits for tuition, fees, stipends, books, and travel in conjunction with training assignments.

(i) *Service obligation* means a scholar's employment obligation, as described in section 662(h) of the Act and §304.30.

(j) *Special education* means special education as defined in section 602(29) of the Act.

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

Subpart B—Conditions That Must be Met by Grantee

§ 304.21 Allowable costs.

In addition to the allowable costs established in the Education Department General Administrative Regulations in 34 CFR 75.530 through 75.562, the following items are allowable expenditures by projects funded under the program:

(a) Cost of attendance, as defined in Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. 108711 (HEA), including the following:

- (1) Tuition and fees.
- (2) An allowance for books, supplies, transportation, and miscellaneous personal expenses.
- (3) An allowance for room and board.
- (b) Stipends.
- (c) Travel in conjunction with training assignments.

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

§ 304.22 Requirements for grantees in disbursing scholarships.

Before disbursement of scholarship assistance to an individual, a grantee must—

- (a) Ensure that the scholar—
 - (1) Is a citizen or national of the United States;
 - (2) Is a permanent resident of—
 - (i) Puerto Rico, the United States Virgin Islands, Guam, American

Samoa, or the Commonwealth of the Northern Mariana Islands; or

(ii) The Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau during the period in which these entities are eligible to receive an award under the Personnel Development to Improve Services and Results for Children with Disabilities program; or

(3) Provides evidence from the U.S. Department of Homeland Security that the individual is—

(i) A lawful permanent resident of the United States; or

(ii) In the United States for other than a temporary purpose with the intention of becoming a citizen or permanent resident;

(b) Limit the cost of attendance portion of the scholarship assistance (as discussed in §304.21(a)) to the amount by which the individual's cost of attendance at the institution exceeds the amount of grant assistance the scholar is to receive for the same academic year under title IV of the HEA; and

(c) Obtain a Certification of Eligibility for Federal Assistance from each scholar, as prescribed in 34 CFR 75.60, 75.61, and 75.62.

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

§ 304.23 Assurances that must be provided by grantee.

Before receiving an award, a grantee that intends to grant scholarships under the program must include in its application an assurance that the following requirements will be satisfied:

(a) *Requirement for agreement.* Prior to granting a scholarship, the grantee will require each scholar to enter into a written agreement in which the scholar agrees to the terms and conditions set forth in §304.30. This agreement must explain the Secretary's authority to grant deferrals and exceptions to the service obligation pursuant to §304.31 and include the current Department address for purposes of the scholar's compliance with §304.30(i), or any other purpose under this part.

(b) *Standards for satisfactory progress.* The grantee must establish, notify scholars of, and apply reasonable standards for measuring whether a scholar is maintaining satisfactory

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progress in the scholar's course of study.

(c) *Exit certification.* (1) At the time of exit from the program, the grantee must provide the following information to the scholar:

(i) The number of years the scholar needs to work to satisfy the work requirements in § 304.30(d);

(ii) The total amount of scholarship assistance received subject to § 304.30;

(iii) The time period, consistent with § 304.30(f)(1), during which the scholar must satisfy the work requirements; and

(iv) As applicable, all other obligations of the scholar under § 304.30.

(2) Upon receipt of this information from the grantee, the scholar must provide written certification to the grantee that the information is correct.

(d) *Information.* The grantee must forward the information and written certification required in paragraph (c) of this section to the Secretary, as well as any other information that is necessary to carry out the Secretary's functions under section 662 of the Act and this part.

(e) *Notification to the Secretary.* If the grantee is aware that the scholar has chosen not to fulfill or will be unable to fulfill the obligation under § 304.30(d), the grantee must notify the Secretary when the scholar exits the program.

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

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

Subpart C—Conditions That Must Be Met by Scholar

§ 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 §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 §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 §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 §304.30(f).

(iii) Any date on which the scholar discontinues enrollment in the course of study under §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))

§ 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 §304.30(j), in whole or part, if the scholar—

(1) Is unable to continue the course of study in §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 §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))

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PART 356 [RESERVED]

PART 359 [RESERVED]