

CHAPTER 35
IOWA TEACHER SHORTAGE LOAN FORGIVENESS PROGRAM

283—35.1(261) Iowa teacher shortage loan forgiveness program. The Iowa teacher shortage loan forgiveness program is a state-supported and administered loan forgiveness program for Iowans teaching in designated teacher shortage areas as certified by the director of the Iowa department of education.

283—35.2(261) Definitions. As used in this chapter:

“*Shortage area*” means a geographic or subject area in which there exists teacher shortages as determined annually by the director of the Iowa department of education.

“*Teacher*” means an individual holding a practitioner’s license issued by the Iowa board of educational examiners, who is employed in a nonadministrative position in a designated shortage area by a school district or area education agency. Further, a teacher is a licensed member of a school’s instructional staff who diagnoses, prescribes, evaluates, and directs student learning in a manner consistent with professional practice and school objectives, shares responsibility for the development of an instructional program and any coordinating activities, evaluates or assesses student progress before and after instruction, and uses student evaluation or assessment information to promote additional student learning.

283—35.3(261) Eligibility requirements.

1. Applicants must be teaching in approved shortage areas at Iowa kindergarten through twelfth grade schools recognized and approved by the Iowa department of education.
2. Applicants must complete and file annual applications for the Iowa teacher shortage loan forgiveness program by the deadline established by the commission. If funds remain available after the application deadline, the commission will continue to accept applications.
3. Applicants must annually complete and return to the commission affidavits of practice verifying that they are teaching in eligible teacher shortage areas.
4. Applicants must begin their first teaching jobs in Iowa on or after July 1, 2007.

283—35.4(261) Awarding of funds.

35.4(1) Selection criteria. All applications received on or before the published deadline will be considered for funding. In the event that all on-time applicants for the program cannot be funded with the available appropriation, criteria for selection of recipients will be prioritized as follows:

- a. Renewal status;
- b. Instructional shortage area being served, with the highest need areas as ranked by the Iowa department of education being served first;
- c. Geographic shortage area being served, with the highest need areas as ranked by the Iowa department of education being served first;
- d. Iowa residency status;
- e. Full-time employment status;
- f. Part-time employment status;
- g. Total indebtedness; and
- h. Date of application.

35.4(2) Annual award. The maximum annual award to an eligible recipient shall be the lesser of:

- a. The average undergraduate resident tuition rate established for students attending universities governed by the Iowa board of regents for the first year following the teacher’s graduation from an approved practitioner preparation program, or
- b. Twenty percent of the teacher’s total federally guaranteed Stafford loan balance, including principal and interest, under the Federal Family Education Loan Program (FFELP) or the Federal Direct Loan Program (FDLP). Eligible loans include subsidized and unsubsidized Stafford loans and consolidated loans. Only the outstanding portion of a Federal Consolidation Loan that was used to

repay an eligible subsidized or unsubsidized Federal Stafford Loan, an eligible Direct Subsidized Loan, or an eligible Direct Unsubsidized Loan qualifies for loan forgiveness.

35.4(3) *Extent of forgiveness.* Recipients may receive loan forgiveness for no more than five consecutive years. Recipients who fail to complete five consecutive years of teaching in the designated shortage areas will not be considered for subsequent years of forgiveness.

Applicants who received funding under the teacher shortage forgivable loan program will be eligible for funding under the Iowa teacher shortage loan forgiveness program for five years minus one year for each year that a loan was received under the teacher shortage forgivable loan program.

35.4(4) *Disbursement of loan forgiveness funds.*

a. Loan payments will be disbursed upon completion of the academic year for which forgiveness was approved and upon certification from the school district that the teacher was employed as a teacher during the entire academic year and completed the academic year in good standing.

b. Loan proceeds will be distributed to the teacher's student loan holder and applied directly to the teacher's eligible loans. Unless otherwise instructed by the teacher, the holder will be instructed to apply the proceeds of the Iowa teacher shortage loan forgiveness program first to any outstanding unsubsidized Stafford loan balances, next to any outstanding subsidized Stafford loan balances, then to any eligible outstanding consolidation loan balances.

283—35.5(261) Loan forgiveness cancellation.

35.5(1) Within 30 days following termination of employment as a teacher in a designated teacher shortage area, the teacher shall notify the commission of the nature of the teacher's employment status.

35.5(2) The teacher is responsible for notifying the commission immediately of a change in name, place of employment, or home address.

283—35.6(261) Restrictions. A teacher who is in default on a Federal Stafford Loan, SLS Loan, Perkins/National Direct/National Defense Student Loan, Health Professions Student Loan (HPSL), or Health Education Assistance Loan (HEAL) or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for loan payments. Eligibility may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapters 4 and 5.

These rules are intended to implement Iowa Code chapter 261 as amended by 2007 Iowa Acts, Senate File 588.

[Filed 11/25/98, Notice 8/26/98—published 12/16/98, effective 1/20/99]

[Filed 5/28/99, Notice 3/10/99—published 6/16/99, effective 7/21/99]

[Filed 8/20/99, Notice 6/16/99—published 9/8/99, effective 10/13/99]

[Filed 7/17/03, Notice 4/30/03—published 8/6/03, effective 9/10/03]

[Filed emergency 6/14/07—published 7/4/07, effective 6/14/07]

[Filed 9/21/07, Notice 7/4/07—published 10/10/07, effective 11/14/07]