

## CHAPTER 5

### ADMINISTRATIVE FUNCTIONS

#### **Section 7. Administering Loan Repayment Programs.**

(a) This Section is promulgated under authority of W.S. 21-18-202 and W.S. 9-2-123 for the Wyoming Investment in Nursing program, W.S. 21-7-601 for the Teacher Shortage Loan Repayment program, and W.S. 21-7-701 for the Wyoming Adjunct Professor Loan Repayment program, as amended.

(i) The purpose of the Wyoming Investment in Nursing Program (WYIN program) is to make funds available to individuals who wish to pursue a career in nursing or nurse education and to alleviate a shortage of nurses within the state.

(ii) The purpose of the Wyoming Teacher Shortage Loan Repayment Program (TSLR program) is to make funds available to students at the University of Wyoming who wish to pursue a career in education and to alleviate a shortage of teachers in qualified areas of study within the state as designated by W.S. 21-7-601.

(iii) The purpose of the Wyoming Adjunct Professor Loan Repayment Program (WAPLR program) is to make funds available to public school teachers who require additional coursework in order to qualify as adjunct instructors under the concurrent enrollment policies of a Wyoming community college district or the University of Wyoming (UW).

(b) Sections (c) through (g) apply to all loan repayment programs except as otherwise noted. Section (h) applies to the WYIN and TSLR programs except as otherwise noted, and section (i) applies to the WAPLR program.

#### (c) Interest

(i) The interest rate shall be the average prime interest rate plus four percent (4%) computed by the Commission's financial institution in the same manner as specified under W.S. 39-16-108(b) for determining the interest rate on delinquent use taxes. The rate shall be approved by the Commission by July 1<sup>st</sup> of every calendar year.

(ii) Accrual of interest shall begin upon scheduled commencement of cash repayment.

#### (d) Loan Terms

(i) Loan origination fees shall be established by the Commission and deducted from the first disbursement of funds for payment to the contracted financial institution.

(ii) The student shall sign a master promissory note as approved by the Commission prior to disbursement to the student of any funds.

(iii) The Commission or the contracted financial institution may disclose any delinquency or default on the student's loan to credit bureaus.

(iv) If the student fails to make a scheduled repayment, or fails to comply with any other term of the note, the Commission or the contracted financial institution may refer the student's loan to a collection agent, initiate legal proceedings against the student, and pursue judicial remedies.

(v) If the student fails to make a scheduled repayment or fails to comply with any other term of the promissory note, the entire unpaid balance of the loan, including interest due and accrued and any applicable penalty charges and collection fees, including attorney fees, will, at the option of the Commission, become immediately due and payable.

(vi) The student may prepay all or any part of the principal and accrued interest of the loan at any time without penalty.

(vii) The student will promptly inform the Commission or the contracted financial institution of any change in name or address.

(e) Default of a Loan.

(i) A loan shall be in default when an installment is due and not paid in full within 90 days after the time period provided by these rules.

(ii) The process for collection of a loan in default shall be determined by the Commission through its designated financial institution.

(iii) The student in default shall pay any charges related to offsetting the note or any charges incurred should the note(s) be referred to an outside collection agency and any other collection charges, including attorney's fees allowed by state law.

(iv) Loan repayment options under this section may be deferred for:

(A) A period not to exceed five (5) years while the student is serving on full time active duty with any branch of the military services of the United States; or

(B) The length of a graduate program that qualifies under the WYIN program or the TSLR program if the student begins the graduate program while still paying the WYIN or TSLR loan by cash or employment; or

(C) The length of the undergraduate program for a WYIN or TSLR student who did not complete the program, but who is readmitted. Interest will not accrue while the student is enrolled in the program. Upon completion of the program, the current loan balance will be

repaid as specified in section (h)(v) for WYIN and TSLR loans and section (j)(v) for WAPLR loans.

(v) Students may be granted a delay from having to repay loans and interest, including interest accrual, thereon, in whole or in part or complete cancellation, including interest accrual, thereon, when the requirement to repay would cause undue hardship, economic or otherwise. The financial institution responsible for servicing the loans will use its best judgment in applying the economic hardship deferment criteria used for the Federal Family Education Loan Program. The Commission reserves the right to consider and make the final decision as to any request on the basis of undue hardship, economic or otherwise.

(vi) Complete cancellation of a student's debt will be granted only in limited circumstances. These circumstances may include a student's total and permanent disability, as determined by a medical or osteopathic physician, or death.

(A) A student who is determined to be totally and permanently disabled will have his/her loan placed in a conditional discharge period for three (3) years from the date the student became totally and permanently disabled.

(B) During this conditional period, the student need not pay principal and interest will not accrue. If the student continues to meet the total and permanent disability conditions during, and at the end of, the three-year conditional period, the student's obligation to repay the loan shall be canceled upon approval by the Commission.

(C) If the student does not continue to meet the cancellation requirements, the student must resume payment within forty-five (45) days of the medical opinion specified in (vi) of this section.

(f) Process for Cash Repayment. The process and schedule for cash repayment under (h)(v) for WYIN and TSLR loans and section (j)(v) for WAPLR loans shall be administered by the Commission through its designated financial institution. Students shall be notified by the Commission through its designated financial institution of the approved payment plan.

(g) Review and Reporting. Any designated financial institution the Commission employs shall prepare a report once a year outlining the services it is providing and the progress made.

(h) WYIN and TSLR programs.

(i) Funding

(A) Funding for a WYIN student in an undergraduate nursing program at a Wyoming community college or the University of Wyoming will be for a maximum of four semesters between any combination of institutions.

(B) Funding for a WYIN student in a graduate nursing or nurse educator program at the University of Wyoming or at an institution approved by the Commission will be for a maximum of the equivalent of 60 graduate-level credit hours.

(C) Funding for a TSLR student will be for a maximum of the equivalent of two full-time academic years for all qualified areas of study as designated in W.S. 21-7-601, except for students enrolled in a special education program of study, who may receive funding for a maximum of the equivalent of three full-time academic years, assuming funds are appropriated by the legislature.

(ii) Application Form: To be eligible to participate in either of these programs, a student shall submit an application to the Commission or its designee upon a form approved by the Commission according to the deadlines determined by each participating educational institution.

(iii) Selection Process

(A) The Commission shall designate the financial aid officers at the University of Wyoming and the Wyoming community colleges to administer these programs subject to the following:

(I) Subject to the Commission's approval, nurses pursuing a graduate degree may apply to the University of Wyoming, in which case Section (II) below shall apply. All others shall make application for loan funds to the Commission's designated financial institution. The designated financial institution, acting in the same capacity as an institution financial aid officer, shall apply the same rules as those listed below, except the designated financial institution will not be given an allocation of WYIN funds, rather applicants will be funded on a per applicant basis by the Commission.

(II) The financial aid officer shall require each applicant to apply to the participating educational institution, review each application, and determine whether the applicant is eligible under these rules;

(1.) Nurses with an unencumbered BSN degree in nursing may apply for a loan to pursue a MSN degree in nursing or nurse education, and a nurse with a MSN degree in nursing or nurse education may apply for a loan to pursue a PhD in nursing or nurse education.

(III) The financial aid officer shall authorize loans from appropriated funds in an amount sufficient to avoid over commitment and to ensure sufficient funds remain available to allow students to complete the program in which they enrolled;

(1.) When determining the amount of a loan in either program for which an applicant may be eligible, the unmet need of the applicant shall be considered.

(IV) The funds appropriated by the legislature will be allocated by the Commission to the University of Wyoming and Wyoming's community colleges for students in these programs;

(V) The financial aid officers shall report to the Commission and the designated financial institution responsible for servicing the loans, the names of all students enrolled in the WYIN and TSLR programs in their respective schools, including students enrolled in WICHE schools or distance learning programs, within 30 days of initial enrollment. Thereafter, the financial aid officers shall report to the Commission and the financial institution on a semester basis regarding participants in the program.

(iv) Upon completion of the academic program, the student must provide the following information every two months, until all the following requirements are reported to the contracted financial institution:

(A) WYIN program:

(I) Date of appropriate certification or licensure examination; and

(II) Successful passing score and certification or licensure and employment information; or unsuccessful passing score and date of next examination; and

(III) Outcome of second examination and, if successful, employment information.

(B) TSLR program:

(I) Verification by the Professional Teaching Standards Board of appropriate teacher certification in qualified areas of study as designated by W.S. 21-7-601; and

(II) Verification by a Wyoming public school principal of successful employment in a public school in Wyoming teaching in a qualified area of study as designated by W.S. 21-7-601 at least 50% of the working hours.

(v) Terms of Repayment

(A) Repayment of loans shall continue as specified under the loan agreement, until all loan obligations have been satisfied.

(B) Qualified work shall be verified annually by the Commission's designated financial institution by having received a letter from the student's employer stating the person is currently or has been employed as follows:

(I) As a nurse, if the WYIN loan was for an undergraduate nursing degree, or nurse educator, if the loan was for a graduate nursing degree.

(II) As a certified teacher in any qualified area of study as designated by W.S. 21-7-601 for a TSLR loan.

(C) Subject to the cash repayment provision as detailed in W.S. 9-2-123 for a WYIN loan and W.S. 21-7-601 for a TSLR loan, the loan is repayable in equal or graduated periods installments, with the right of the Commission to accelerate repayment, over a period not to exceed ten (10) years that begins nine (9) months after the student ceases to be a student in the nursing program.

(j) WAPLR program:

(i) Application Process. To be eligible to participate in this program, a public school teacher (applicant) shall secure from the school district a signed agreement using a form approved by the Commission.

(A) The agreement form shall include:

(I) Verification by the school district that the applicant is a resident of Wyoming as defined in Chapter 1 of these rules;

(II) Verification by the school district that the applicant is employed as a teacher within the school district;

(III) Verification by the school district that the applicant is in good standing with the Professional Teacher Standards Board;

(IV) Verification by the school district and the post-secondary institution that the schedule of proposed coursework is correct and necessary for the applicant to teach concurrent courses in the high school;

(V) A list and schedule of concurrent courses the applicant is expected to teach after completion of the educational program; and

(VI) Signatures of the school district superintendent or designee and the president of the post-secondary institution or designee.

(B) The agreement described in (A) of this section shall constitute a nomination for the program and be submitted by the school district to the partner post-secondary institution in accordance with the deadline prescribed by the Commission. In the event the school district nominates more than one applicant, the school district shall prioritize nominations prior to submitting all applications to the partner post-secondary institution.

(ii) Submission to the Commission:

(A) The post-secondary institution shall submit the nomination(s) to the Commission no later than the second Friday of March or the third Friday in October of the school year in which the educational program is planned.

(B) In the event that the post-secondary institution receives more than one nomination, the post-secondary institution shall prioritize nominations prior to submitting all applications to the Commission.

(iii) Selection Process:

(A) The Commission shall review all applications and select recipients based on the following criteria:

(I) Amount of coursework and length of time necessary to qualify the applicant to teach concurrent courses;

(II) Estimated number of students enrolled in concurrent classes to the eligible student population expressed as a percentage impacted when the concurrent courses are offered by the community college in cooperation with the school district;

(III) How the post-secondary institution has prioritized the nominations; and

(IV) The scope and access of concurrent courses currently offered by the community college in cooperation with the school district.

(B) The Commission shall notify successful applicants no later than the third Friday of April or the third Friday in November of the school year in which the educational program is planned and specify the terms and conditions of the loan.

(iv) Payment Process:

(A) Payment for reimbursement of tuition and fees shall be made by the Commission on a semester-by-semester basis to the applicant.

(I) The school district shall verify successful completion for each course and shall report completion to the Commission. This report shall include:

(1.) An official transcript provided by the applicant from the post-secondary institution showing the course or courses were completed with a passing grade of A, B, C, S or P; and

(2.) The total cost of tuition and fees to be reimbursed.

(II) If an applicant fails to meet the standard established in (1.) of this section, the applicant will begin cash repayment as described in (d)(v) of this section.

(B) Terms and conditions of loans awarded under this section shall be approved by the Commission.

(v) Terms of Repayment

(A) A recipient of a loan under this section may repay the loan without cash payment by teaching at least one concurrent class in a Wyoming public school. To qualify as repayment under this subsection, work shall be performed for a minimum of two (2) years, which shall begin the fall semester of the academic year following completion of the educational program. Annually the Wyoming public school district shall provide verification that the applicant is teaching a concurrent college level credit-bearing course or courses in one or more high schools.

(B) Repayment of loans shall continue as specified under the loan agreement until all loan obligations have been satisfied.

(C) Qualified work shall be verified by the Commission by having received a letter from the applicant's employer stating the applicant is currently or has been employed as a teacher in a qualifying area of study. This letter must be submitted at the end of the spring semester for the two (2) years immediately following completion of the academic program.

(D) Subject to the cash repayment provision as detailed by W.S. 21-7-601, the loan is repayable in equal or graduated installments with the right of the Commission to accelerate payment over a period not to exceed two (2) years that begins forty-five (45) days after the applicant ceases to be a student in the academic program. The Commission may approve a longer period for repayment in extenuating circumstances.

(E) Applicants shall not be considered in default when the school district or post-secondary institution does not offer a previously agreed upon concurrent course or courses and such action does not extend the repayment period.