# 94-457 FINANCE AUTHORITY OF MAINE

CHAPTER 606: THE PAUL DOUGLAS TEACHER SCHOLARSHIP PROGRAM (FORMERLY CONGRESSIONAL TEACHER SCHOLARSHIP PROGRAM)

SUMMARY: Chapter 606 revises and supersedes Chapter 153 of the rules of the Department of Education. The rule details the eligibility and application requirements and procedures for the conduct of the Paul Douglas Teacher Scholarship Program.

1. Definitions

A. All terms not otherwise defined shall have the meaning ascribed to them in 34 CFR Part 653 as amended from time to time.

B. Authority. “Authority” means the Finance Authority of Maine.

C. Chief executive officer. "Chief executive officer” means the chief executive officer of the authority or any employee acting under the supervisory control of the chief executive officer.

D. Eligible institution. “Eligible institution” has the same meaning as that term has in 34 CFR §600.4.

2. Student Eligibility

A. Graduating High School Seniors

(1) The application must be received by the authority no later than May 1.

(2) The applicant must be graduating from high school and a resident of Maine.

(3) The applicant must rank in the top ten percent of the applicant's graduating class or have GED test scores recognized by the State to be equivalent to ranking in the top ten percent of the high school graduates in the State or nationally in the academic year for which the eligibility determination is being made.

(4) The applicant must become enrolled as a full time student in an accredited postsecondary institution.

(5) The applicant must be pursuing a course of study leading to teacher certification.

(6) The applicant must be a United States citizen or National or must be able to provide evidence from the U.S. Immigration and Naturalization Services that the applicant is a permanent resident of the United States or is in the United States for other than temporary purposes with the intention of becoming a citizen or permanent resident.

(7) The applicant must be a resident of the State of Maine for other than school purposes.

B. Currently Enrolled Postsecondary Students

(1) The application must be received by the authority no later than May 1.

(2) The applicant must have ranked in the top ten percent of the applicant's graduating high school class or had GED test scores recognized by the State to be equivalent to ranking in the top ten percent of high graduates in the State or nationally during the academic year in which the applicant graduated.

(3) The applicant must have a minimum cumulative grade point average (GPA) of 3.0 on a 4.0 scale or its equivalent at the eligible institution at which the applicant is enrolled.

(4) The applicant must be enrolled as a full time student at an eligible institution.

(5) The applicant must be pursuing a course of study leading to teacher certification.

(6) The applicant must be a United States citizen or National or must be able to provide evidence from the U.S. Immigration and Naturalization that the applicant is a permanent resident of the United States for other than temporary purposes with the intention of becoming a citizen or permanent resident.

(7) The applicant must have graduated from a Maine high school or must be a resident of the State of Maine for other than school purposes at the time of application.

3. Selection Criteria

A. Graduating High School Seniors

(1) Analysis of secondary school transcript.

(2) Analysis of class standing, grade point average and SAT scores.

(3) Analysis of academic achievements and awards.

(4) Evaluation of essay on reasons for entering the teaching profession.

(5) Consideration given to preparation for teaching in a subject area in which there is a shortage of teachers.

B. Currently Enrolled Postsecondary Students

(1) Analysis of postsecondary transcript and grade point average.

(2) Analysis of academic achievements at the postsecondary institution (example: Dean's List).

(3) Evaluation of essay on reasons for entering the teaching profession.

(4) Consideration given to preparation for teaching in a subject area in which there is a shortage of teachers.

4. Selection Process

A. Each application and accompanying information shall be reviewed and evaluated by at least two individuals who will be staff members of the authority or representatives of school administrators, teachers and parents. All applications will be reviewed in light of identified criteria.

B. Following review and evaluation by the FAME staff members, applications will be rank ordered in two groups identified as Graduating High School Seniors and Currently Enrolled College Students and awards will be made by the selection committee within the limit of available funds.

C. The Maine Education Assistance Board will serve as the Selection Committee.

5. Application Material

In order to complete the application process each applicant shall submit the following:

A. Graduating High School Seniors

(1) An application form provided by the authority which includes the signature of a secondary school official indicating the applicant's graduation in the top ten percent of the class.

(2) Copy of secondary school transcript.

(3) Copy of SAT scores, if not included on the transcript.

(4) List of academic achievements and awards.

(5) List of extracurricular activities pertinent to teaching.

(6) Copy of GED test scores if applicable.

(7) Essay on interest in the teaching profession.

B. Currently Enrolled Postsecondary Students

(1) An application form provided by the authority which includes the signature of a secondary school official indicating the applicant's graduation in top ten percent of the class.

(2) Copy of postsecondary school transcript.

(3) List of academic achievements at the postsecondary institution if not included on the school transcript.

(4) Copy of GED test scores if applicable.

(5) Essay on interest in the teaching profession.

6. Payment Procedures

A. Checks will be made co-payable to the recipient and the postsecondary institution and will be mailed to the institution upon verification of the recipient's full-time attendance.

B. Loans will be disbursed in two semester payments.

C. Recipients shall receive a $5000 loan for each academic year of undergraduate study in preparation to become a preschool, elementary or secondary teacher.

D. Funds awarded under this program shall be considered in determining eligibility for student assistance under Title IV of the Higher Education Act.

E. Funds awarded recipients under this program in any given year when added to assistance received under Title IV of the Higher Education Act shall not exceed the cost of attendance at the eligible institution the recipient is attending. If the amount of assistance received under this program and assistance received under other Title IV programs exceeds the cost of attendance, the award under the Paul Douglas Teacher Scholarship Program shall be reduced by an amount equal to the amount by which the combined awards exceed the cost of attendance.

F. No individual shall receive an award under this program in any academic year which shall exceed the cost of attendance at the institution the individual is attending.

G. Acceptance of an initial award or renewal of an existing award may be deferred for one academic year only. If the recipient refuses an award for a second academic year, the award is considered to be forfeited and the funds are returned to the program to be distributed to other qualified applicants.

7. Renewal Provisions

A. Recipients of financial assistance under this program may continue to receive such assistance for not more than four (4) years of undergraduate education.

B. Recipients of financial assistance under this program shall continue to receive payments only during such periods as the recipient is:

1. Enrolled as a full-time student in a postsecondary institution that is currently accredited by a nationally recognized accrediting agency or association;

2. Pursuing a course of study leading to certification as a teacher at the preschool, elementary school or secondary school level, as determined by the state in which the eligible institution the student is attending is located; such a course of study may not include graduate study that is not required for initial teacher certification;

3. Maintaining satisfactory progress as determined by the postsecondary institution the student is attending;

4. Providing evidence to the authority from the Registrar that the requirements of 1, 2, and 3 have been met, and

5. Maintaining State of Maine residency.

8. Repayment Provisions

A. Each recipient must sign an Agreement with the authority which will detail repayment obligations.

B. Repayment obligations either through return service or cash payments must be completed within a ten year period after completing the postsecondary education program for which the loans were awarded.

C. Each recipient may utilize a return service/forgiveness option by teaching full-time for a period of two years for each year for which the loan was received, providing such teaching is in a public or private nonprofit preschool, elementary school or secondary school in any state or private nonprofit education program in any state. The requirement to teach two years for each year of scholarship assistance is reduced by one-half in the case of individuals who teach full-time in a teacher shortage area as designated by the United States Secretary of Education.

D. A recipient shall not be considered to be in violation of the provisions of the repayment Agreement with the authority if the recipient:

1. Returns to a full-time course of study related to the field of teaching at an eligible institution

2. Is serving not in excess of three years as a member of the armed forces of the United States;

3. Is temporarily totally disabled for a period of time not to exceed three years as established by a sworn affidavit of a qualified physician;

4. Is unable to secure employment for a period not to exceed twelve months by reason of the care required by a spouse who is disabled;

5. Is seeking and unable to find full-time employment for a single period not to exceed twelve months;

6. Is seeking and unable to find full-time employment as a teacher in a public or private nonprofit preschool, elementary or secondary school or a public or private non-profit education program for a single period not to exceed 27 months.

During the time a recipient qualifies for any of these exceptions, the recipient is not required to make scholarship repayments and interest does not accrue.

A recipient seeking an exception under items 1 through 6 must notify the authority in writing when the above conditions are applicable and provide supporting documentation satisfactory to the authority.

E. If the authority finds that the recipient is not in compliance with the terms of the Agreement or is no longer pursuing a course of study leading to certification as a teacher at the preschool, elementary or secondary level, the recipient shall:

(1) Repay the amount of the scholarship received prorated according to the fraction of the teaching obligation not completed as determined by the authority;

(2) Pay a single per annum interest charge on the outstanding principal; and

(3) Pay all reasonable collection costs as determined by the authority;

F. The interest charge accrues from the date of the initial scholarship payment if the recipient has ceased to pursue a course of study leading to certification as a teacher at the preschool, elementary or secondary level or the day after that portion of the scholarship period for which the teaching obligation has been fulfilled.

G. The interest charge shall not be at a rate higher than the rate applicable to loans made in the applicable period under Title IV, Part B of the Higher Education Amendments of 1986.

H. The recipient shall enter repayment status on the first day of the calendar month after the authority has determined that the recipient has ceased to pursue a course of study leading to certification as a teacher at the preschool, elementary or secondary level, but not before 6 months have elapsed after cessation of the scholar's full-time enrollment in such a course of study, or the date the recipient informs the authority the recipient does not plan to fulfill the teaching obligation, or the latest date on which the recipient must have begun teaching in order to have completed the teaching obligation within ten years after completing the postsecondary education for which the loan was awarded, as determined by the authority.

I. The recipient shall make monthly or quarterly payments to the authority which cover principal, interest, and collection costs according to a schedule established by the authority, which calls for complete repayment within ten years after the recipient enters repayment status (except as provided in item L), and which amounts annually to no less than $1200 or the unpaid balance, whichever is less, unless the recipient's inability to pay this amount because of the recipient's financial condition has been established to the chief executive officer's satisfaction. If a cash payment is not made within 90 days following the payment date set by the authority, it may declare the entire amount due and payable subject to the right to receive a notice of right to cure.

J. The authority shall not require loan repayments amounting to more than $1200 annually unless higher payments are needed to complete the entire repayment within the ten year period described in item I.

K. The authority shall capitalize any accrued interest at the time it establishes a recipient's repayment schedule.

L. The authority shall extend the ten year scholarship repayment period by a period equal to the length of time a recipient meets any of the conditions in item D and the authority may also extend the repayment period if the recipient is unable to complete the repayment within the ten year period because of the recipient's financial condition as documented to the satisfaction of the chief executive officer.

M. The authority shall cancel a recipient's repayment obligation if it determines:

1. On the basis of a sworn affidavit of a qualified physician, that the recipient is unable to teach on a full-time basis because of an impairment that is expected to continue indefinitely or result in death; or

2. On the basis of a death certificate or other evidence of death that is conclusive under State law, that the recipient has died.

N. The recipient may appeal any determination of noncompliance with the law or regulations governing the implementation of this program by pursuing an appeal process as follows:

1. The applicant must notify the chief executive officer within thirty (30) days of date of the determination of noncompliance of the applicant's intent to seek an appeal of the decision.

2. The appeal will be heard at a regularly scheduled meeting of the members of the authority, at the earliest date such an appeal can reasonably be scheduled. The applicant must be notified of the date and time of the appeal and must be present to support the appeal.

AUTHORITY: State Authority: 10 MRSA §939-A

20-A MRSA §15401

Federal Authority 20 USC 1111

34 CFR 653

EFFECTIVE DATE: July 21, 1992, original rule (FAME).

EFFECTIVE DATE (ELECTRONIC CONVERSION): May 4, 1996

APAO WORD VERSION CONVERSION (IF NEEDED) AND ACCESSIBILITY CHECK: July 17, 2025