

# WEST VIRGINIA LEGISLATURE

## 2019 REGULAR SESSION

Introduced

### House Bill 2862

FISCAL  
NOTE

BY DELEGATES WESTFALL, QUEEN, ATKINSON, R.

THOMPSON, HORNBUCKLE, DEAN, HAMRICK, STORCH, D.

KELLY, MANDT AND NELSON

[Introduced February 6, 2019; Referred  
to the Committee on Education then Finance.]

1 A BILL to amend and reenact §18C-4-1, §18C-4-2, §18C-4-3, §18C-4-4, and §18C-4-5 of the  
 2 Code of West Virginia, 1931, as amended; and to amend and reenact §18C-4A-1, §18C-  
 3 4A-2, and §18C-4A-3 of said code, all relating to the Underwood-Smith scholarship and  
 4 loan assistance program and teacher scholarship and loan program; modifying the  
 5 purpose of the scholarship beginning in 2020; establishing scholarship preference for  
 6 applicants pursuing math and science teaching careers; modifying selection criteria for the  
 7 award of scholarships; modifying scholarship agreement condition requirements;  
 8 modifying scholarship renewal requirements; modifying purpose of teacher scholarship  
 9 program to those pursuing careers in teaching math or science; modifying scholarship  
 10 agreement condition requirements for teachers; and modifying scholarship renewal  
 11 requirements for teachers.

*Be it enacted by the Legislature of West Virginia:*

#### **ARTICLE 4. UNDERWOOD-SMITH TEACHER SCHOLARSHIP PROGRAM.**

##### **§18C-4-1. Scholarship and loan assistance fund created; purposes; funding.**

1 (a) It is the purpose of this article and §18C-4A-1 *et seq.* of this code to improve the quality  
 2 of education in the public schools of West Virginia by encouraging and enabling individuals who  
 3 have demonstrated outstanding academic abilities to pursue teaching careers at the preschool,  
 4 elementary, middle or secondary levels in the public schools of this state. In addition, of those  
 5 individuals who have demonstrated outstanding academic abilities to pursue teaching careers,  
 6 for scholarships initially awarded for the fall semester, ~~2014~~ 2020, and thereafter, particular efforts  
 7 shall be made in the scholarship selection criteria and procedures to ~~reflect the state's present~~  
 8 ~~and projected subject and geographic areas of critical need~~ award scholarships to qualified  
 9 applicants who intend to pursue teaching careers in mathematics or science.

10 (b) In consultation with the State Board of Education and the State Superintendent of  
 11 Schools the commission shall propose legislative rules in accordance with the provisions of §29A-  
 12 3A-1 *et seq.* of this code. The rules shall provide for the administration of the Underwood-Smith

13 Teacher Scholarship and Loan Assistance programs by the vice chancellor for administration in  
14 furtherance of the purposes of this article and §18C-4A-1 *et seq.* of this code, including, but not  
15 limited to, the following:

16 (1) Establishing scholarship selection criteria and procedures;

17 (2) Establishing ~~criteria and procedures for identifying subject areas, public schools or~~  
18 ~~geographic areas in critical need of teachers~~ a preference for applicants that intend to pursue  
19 teaching careers in mathematics or science;

20 (3) Awarding loan assistance, including establishing conditions under which partial awards  
21 may be granted for less than a full year of teaching mathematics or science; ~~in an area of critical~~  
22 ~~need~~

23 (4) Determining eligibility for loan assistance renewal;

24 (5) Establishing procedures ensuring that loan assistance funds are paid directly to the  
25 proper lending entity; and

26 (6) Establishing criteria for determining participant compliance or noncompliance with  
27 terms of the agreement and establishing procedures to address noncompliance including, but not  
28 limited to, repayment, deferral and excusal; and

29 (7) Developing model agreements.

30 (c) There is created in the State Treasury a special revolving fund to be known as the  
31 Underwood-Smith Teacher Scholarship and Loan Assistance Fund to be administered by the vice  
32 chancellor for administration solely for granting scholarships and loan assistance to teachers and  
33 prospective teachers in accordance with this article and §18C-4A-1 *et seq.* of this code. Any  
34 moneys which may be appropriated by the Legislature, or received by the vice chancellor for  
35 administration from other sources, for the purposes of this article and §18C-4A-1 *et seq.* of this  
36 code, shall be deposited in the fund. Any moneys remaining in the fund at the close of a fiscal  
37 year shall be carried forward for use in the next fiscal year. Any moneys repaid to the vice  
38 chancellor for administration by reason of default of a scholarship or loan assistance agreement

39 under this article or article four-a of this chapter also shall be deposited in the fund. Fund balances  
40 shall be invested with the state's consolidated investment fund, and any and all interest earnings  
41 on these investments shall be used solely for the purposes for which moneys invested were  
42 appropriated or otherwise received.

43 (d) The vice chancellor for administration may accept and expend any gift, grant,  
44 contribution, bequest, endowment or other money for the purposes of this article and §18C-4A-1  
45 *et seq.* of this code and shall make a reasonable effort to encourage external support for the  
46 scholarship and loan assistance programs.

47 (e) For the purpose of encouraging support for the scholarship and loan assistance  
48 programs from private sources, the vice chancellor for administration may set aside no more than  
49 half of the funds appropriated by the Legislature for Underwood-Smith Teacher Scholarships and  
50 Loan Assistance Awards to be used to match two state dollars to each private dollar from a  
51 nonstate source contributed on behalf of a specific institution of higher education in this state.

**§18C-4-2. Selection criteria and procedures for awarding scholarships.**

1 (a) The Governor shall designate the Higher Education Student Financial Aid Advisory  
2 Board created by §18C-1-5 of this code to select the recipients of Underwood-Smith teacher  
3 scholarships who meet the eligibility criteria set forth in subsection (b) of this section.

4 (b) Eligibility for an Underwood-Smith Teacher Scholarship award shall be limited to  
5 students who meet the following criteria:

6 (1) Have graduated or are graduating from a West Virginia high school and rank in the top  
7 ~~ten percent~~ one third of their graduating class or the top ~~ten percent~~ one-third statewide of those  
8 West Virginia students taking the ACT or SAT test;

9 (2) Have a cumulative grade point average of at least ~~3.25~~ 3.00 on a possible scale of four  
10 after successfully completing two years of course work at an approved institution of higher  
11 education in West Virginia;

12 (3) Are public school aides or paraprofessionals as defined in §18A-4-8 of this code and

13 who have a cumulative grade point average of at least 3.25 on a possible scale of four after  
14 successfully completing two years of course work at an approved institution of higher education  
15 in West Virginia; or

16 (4) Are graduate students at the master's degree level who have graduated or are  
17 graduating in the top ~~ten percent~~ one third of their college graduating class.

18 (c) In accordance with the rules of the commission, the vice chancellor for administration  
19 shall develop criteria and procedures for the selection of scholarship recipients. The selection  
20 criteria shall reflect the purposes of this article. ~~and shall specify the areas in which particular~~  
21 ~~efforts will be made in the selection of scholars as set forth in section one of this article~~ In addition  
22 to the preference for applicants that intend to pursue teaching careers in mathematics or science,  
23 selection procedures and criteria also may include, but are not limited to, the grade point average  
24 of the applicant, involvement in extracurricular activities, financial need, current academic  
25 standing and an expression of interest in teaching as demonstrated by an essay written by the  
26 applicant. These criteria and procedures further may require the applicant to furnish letters of  
27 recommendation from teachers and others.

28 ~~It is the intent of the Legislature that academic abilities be the primary criteria for selecting~~  
29 ~~scholarship recipients. However, the qualified applicants with the highest academic abilities who~~  
30 ~~intend to pursue teaching careers in areas of critical need and shortage pursuant to section one~~  
31 ~~of this article shall be given priority~~

32 (d) In developing the selection criteria and procedures to be used by the Higher Education  
33 Student Financial Aid Advisory Board, the vice chancellor for administration shall solicit the views  
34 of public and private education agencies and institutions and other interested parties. Input from  
35 interested parties shall be solicited by means of written and published selection criteria and  
36 procedures in final form for implementation and may be solicited by means of public hearings on  
37 the present and projected teacher needs of the state or any other methods the vice chancellor for  
38 administration may determine to be appropriate to gather the information.

39 (e) The vice chancellor for administration shall make application forms for Underwood-  
40 Smith Teacher Scholarships available to public and private high schools in the state and in other  
41 locations convenient to applicants, parents and others, and shall make an effort to attract students  
42 from low-income backgrounds, ethnic or racial minority students, students with disabilities, and  
43 women or minority students who show interest in pursuing teaching careers in mathematics and  
44 science and who are underrepresented in those fields.

**§18C-4-3. Scholarship agreement.**

1 (a) Each recipient of an Underwood-Smith teacher scholarship shall enter into an  
2 agreement with the vice chancellor for administration under which the recipient shall meet the  
3 following conditions:

4 (1) Provide the commission with evidence of compliance with §18C-4-4(a) of this code;

5 (2) Within a 10-year period after completing the teacher education for which the  
6 scholarship was awarded:

7 (A) Teach full time under contract with a county board of education in a public education  
8 program in the state for a period of not fewer than two years for each year for which a scholarship  
9 was received; or

10 ~~(B) Teach full time under contract for not less than one year for each year for which a~~  
11 ~~scholarship was received with a county board of education in this state in a teacher shortage area~~  
12 ~~pursuant to section one of this article, in an exceptional children program in this state, in a school~~  
13 ~~having less than average academic results or in a school in an economically disadvantaged area~~  
14 ~~of this state; or~~

15 ~~(C)~~ Within the 10-year period, while seeking and unable to secure a full-time teaching  
16 position under contract with a county board of education which satisfies the conditions of  
17 paragraph (A) of this subdivision:

18 (i) Teach full-time in a private school, parochial or other school approved for the instruction  
19 of students of compulsory school age pursuant to §18-8-1 of this code; or

20 (ii) Teach in an institution of higher education in this state as defined in §18B-1-2 of this  
21 code or in a post-secondary vocational education program in this state for a period of not fewer  
22 than two years for each year for which a scholarship was received; or

23 (iii) Perform alternative service or employment in this state pursuant to rules promulgated  
24 by the commission, in federal, state, county or local supported programs with an educational  
25 component, including mental or physical health care, or with bona fide tax exempt charitable  
26 organizations dedicated to the above, for a period of not fewer than two years for each year for  
27 which a scholarship was received.

28 Any teaching time accrued as a substitute teacher for a county board of education under  
29 paragraph (A) ~~or (B)~~ of this subdivision shall be credited pro rata in accordance with rules  
30 promulgated by the commission; or

31 (3) Repay all or part of an Underwood-Smith teacher scholarship received under this  
32 article plus interest and, if applicable, reasonable collection fees in accordance with §18C-4-4(c)  
33 of this code, except as provided in §18C-4-4(d) of this code.

34 (b) Scholarship agreements shall disclose fully the terms and conditions under which  
35 assistance under this article is provided and under which repayment may be required. The  
36 agreements shall include the following:

37 (1) A description of the conditions and procedures to be established under section four of  
38 this article; and

39 (2) A description of the appeals procedure required to be established under §18C-4-4 of  
40 this code.

41 (c) Individuals who were awarded an Underwood-Smith teacher scholarship prior to the  
42 effective date of this section may apply the provisions of paragraph (A), ~~(B) or (C)~~, or (B),  
43 subdivision (2), subsection (a) of this section to teaching or other service performed by them after  
44 July 1, 1997.

**§18C-4-4. Renewal conditions; noncompliance; deferral; excusal.**

1 (a) The recipient of an Underwood-Smith Teacher Scholarship is eligible for scholarship  
2 renewal only during those periods when the recipient meets the following conditions:

3 (1) Is enrolled as a full-time student in an accredited institution of higher education in this  
4 state;

5 (2) Is pursuing a course of study leading to teacher certification at the preschool,  
6 elementary, middle or secondary level in this state: Provided, That for scholarships initially  
7 awarded for the fall semester, 2020, and thereafter, is pursuing a course of study leading to  
8 teacher certification in mathematics or science at the elementary, middle or secondary level in  
9 this state;

10 (3) Is maintaining satisfactory progress as determined by the institution of higher education  
11 the recipient is attending; and

12 (4) Is complying with such other standards as the commission may establish by rule.

13 (b) Recipients found to be in noncompliance with the agreement entered into under section  
14 three of this article shall be required to repay the amount of the scholarship awards received, plus  
15 interest, and, where applicable, reasonable collection fees, on a schedule and at a rate of interest  
16 prescribed in the program guidelines. Guidelines also shall provide for proration of the amount to  
17 be repaid by a recipient who teaches for part of the period required under §18C-4-3(a) of this  
18 code and for appeal procedures under which a recipient may appeal any determination of  
19 noncompliance.

20 (c) A recipient is not in violation of the agreement entered into under §18C-4-3 of this code  
21 during any period in which the recipient is meeting any of the following conditions:

22 (1) Pursuing a full-time course of study at an accredited institution of higher education;

23 (2) Serving, not in excess of four years, as a member of the armed services of the United  
24 States;

25 (3) Seeking and unable to find full-time employment in accordance with §18C-4-3(a)(2)(A)  
26 of this code and is fulfilling any of the alternatives specified in paragraph (B) ~~or (C)~~ of that



27 subdivision;

28 (4) Satisfying the provisions of additional repayment exemptions that may be prescribed  
29 by the commission by rule; or

30 (5) Failing to comply with the terms of the agreement due to death or permanent or  
31 temporary disability as established by sworn affidavit of a qualified physician.

32 (d) The rules adopted by the commission may provide guidelines under which the vice  
33 chancellor for administration may extend the period for fulfilling the obligation to 15 years, if  
34 extenuating circumstances exist.

**§18C-4-5. Amount and duration of scholarship; relation to other assistance.**

1 (a) Subject to subsection (b) of this section, each recipient of an Underwood-Smith teacher  
2 scholarship is eligible to receive assistance of up to \$5,000 for each academic year of higher  
3 education in preparation for becoming a preschool, elementary, middle or secondary teacher in  
4 the public schools of this state: Provided, That for scholarships initially awarded for the fall  
5 semester, 2020, and thereafter, each recipient of an Underwood-Smith teacher scholarship is  
6 eligible to receive assistance of up to \$5,000 for each academic year of higher education in  
7 preparation for becoming a certified mathematics or science teacher in this state. No individual  
8 may receive scholarship assistance for more than four academic years for the completion of a  
9 bachelor's degree and two academic years for completion of a master's degree.

10 (b) No individual shall receive a scholarship award under this article which exceeds the  
11 cost of attendance at the institution the individual is attending. The cost of attendance shall be  
12 based upon the actual cost of tuition and fees, and reasonable allowances for books, educational  
13 supplies, room and board and other expenses necessitated by individual circumstances, in  
14 accordance with the program guidelines. For the purposes of establishing an award amount, the  
15 senior administrator shall take into account the amount of financial aid assistance the recipient  
16 has or will receive from all other sources. If the amount of the Underwood-Smith teacher  
17 scholarship assistance award and the amount of assistance awards which the recipient has

18 received from all other sources exceed the cost of attendance, the institution's financial aid officer,  
 19 in consultation with the scholar, will determine what aid is to be reduced and shall do so in a  
 20 manner to the best advantage of the scholar.

**ARTICLE 4A. UNDERWOOD-SMITH TEACHER LOAN ASSISTANCE PROGRAM.**

**§18C-4A-1. Selection criteria and procedures for loan assistance.**

1 (a) The Governor shall designate the Higher Education Student Financial Aid Advisory  
 2 Board created by §18C-1-5 of this code to select recipients to receive Underwood-Smith Teacher  
 3 Loan Assistance Awards.

4 (b) To be eligible for a loan award, a teacher shall agree to teach, or shall currently be  
 5 teaching, a subject area of critical need or in a school or geographic area of the state identified  
 6 as an area of critical need: Provided, That to be eligible for an award under this section for loans  
 7 commencing in the 2019-2020 school year, and thereafter, a teacher shall agree to teach, or shall  
 8 currently be teaching, mathematics or science at the elementary, middle, or secondary level in  
 9 this state. The advisory board shall make decisions regarding loan assistance pursuant to §18C-  
 10 4-1 of this code.

11 (c) In accordance with the rule promulgated pursuant to §18C-4-1 of this code, the Vice  
 12 Chancellor for Administration shall develop additional eligibility criteria and procedures for the  
 13 administration of the loan program.

14 (d) The Vice Chancellor for Administration shall make available program application forms  
 15 to public and private schools in the state via the website of the commission and the State  
 16 Department of Education and in other locations convenient to potential applicants.

**§18C-4A-2. Loan assistance agreement.**

1 (a) Before receiving an award, each eligible teacher shall enter into an agreement with the  
 2 Vice Chancellor for Administration and shall meet the following criteria:

- 3 (1) Provide the commission with evidence of compliance with §18C-4-4(b) of this code;  
 4 (2) Teach in a subject area of critical need or in a school or geographic area of critical

5 need full time under contract with a county board for a period of two school years for each year  
6 for which loan assistance is received pursuant to this article: Provided, That for loans commencing  
7 in the 2019-2020 school year, and thereafter, teach mathematics or science full time under  
8 contract with a county board for a period of two school years for each year for which loan  
9 assistance is received pursuant to this article.

10 The Vice Chancellor for Administration may grant a partial award to an eligible recipient  
11 whose contract term is for less than a full school year pursuant to criteria established by  
12 commission rule.

13 (3) Acknowledge that an award is to be paid to the recipient's student loan institution, not  
14 directly to the recipient, and only after the commission determines that the recipient has complied  
15 with all terms of the agreement; and

16 (4) Repay all or part of an award received pursuant to this article if the award is not paid  
17 to the student loan institution or if the recipient does not comply with the other terms of the  
18 agreement.

19 (b) Each loan agreement shall disclose fully the terms and conditions under which an  
20 award may be granted pursuant to this article and under which repayment may be required. The  
21 agreement also is subject to and shall include the terms and conditions established by §18C-4-5  
22 of this code.

**§18C-4A-3. Amount and duration of loan assistance; limits.**

1 (a) Each award recipient is eligible to receive loan assistance of up to \$3,000 annually,  
2 subject to limits set forth in subsection (b) of this section:

3 (1) If the recipient has taught for a full school year under contract with a county board in a  
4 subject area of critical need or in a school or geographic area of critical need: Provided, That for  
5 loans commencing in the 2019-2020 school year, and thereafter, if the recipient has taught  
6 mathematics or science for a full school year and under contract with a county board; and

7 (2) If the recipient otherwise has complied with the terms of the agreement and with

8 applicable provisions of this article and §18C-4-1 *et seq.* of this code, and any rules promulgated  
9 pursuant thereto.

10 (b) The recipient is eligible for renewal of loan assistance only during periods when the  
11 recipient is under contract with a county board to teach in a subject area of critical need or in a  
12 school or geographic area of critical need and complies with other criteria and conditions  
13 established by rule, except that a teacher who is teaching under a contract in a position that no  
14 longer meets the definition of critical need under rules established in accordance with §18C-4-1  
15 of this code is eligible for renewal of loan assistance until the teacher leaves his or her current  
16 position: Provided, That for loans commencing in the 2019-2020 school year, and thereafter, the  
17 recipient is eligible for renewal of loan assistance only during periods when the recipient is under  
18 contract with a county board to teach mathematics or science and complies with other criteria and  
19 conditions established by rule.

20 (c) A recipient may not receive loan assistance pursuant to this article which accumulates  
21 in excess of \$15,000.

NOTE: The purpose of this bill is to modify the purpose of the scholarship beginning in 2020; establish scholarship preference for applicants pursuing math and science teaching careers; modify selection criteria for the award of scholarships; modify scholarship agreement condition requirements; modify scholarship renewal requirements; modify purpose of teacher scholarship program to those pursuing careers in teaching math or science; modify scholarship agreement condition requirements for teachers; and modify scholarship renewal requirements for teachers.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.