The TEACH Grant Program is not tied to financial need and provides up to $4000 annually to students who are enrolled in an eligible program and who agree to teach full-time in a high-need field at a public or private elementary or secondary school that serves low-income students. Due to sequestration, the award amounts for TEACH Grants for which the first disbursement occurs between October 1, 2017 and October 1, 2018, were reduced by 6.6%, resulting in a maximum award amount of $3736. Award amounts—for which the first disbursement occurs between October 1, 2018, and October 1, 2019—have been reduced by 6.2%, resulting in a maximum award amount of $3752.

Recipients of these grants must teach for at least four years within a period of eight years after completing the program for which the TEACH Grant was awarded. Although it is not tied to financial need, an applicant must file the Free Application for Federal Student Aid (FAFSA) form. Students who wish to participate must complete and submit an application, including an agreement to serve and promise to repay. Students must also maintain a 3.25 grade point average while in school. The Department has a number of online tools to assist TEACH Grant recipients.

There are a number of potential problems with this program, including the requirement that students who do not complete the four years of qualified teaching within the eight-year time frame, fail to maintain satisfactory academic progress while in school, change their minds about teaching, or are unable to find jobs in “high-need” areas must repay any grant amounts received as Unsubsidized Direct Stafford Loans. Due to a change in the law that went into effect on July 1, 2010, a grant recipient who obtained a degree or expertise in a field that was a high-need subject area at the time of application for the grant, but is no longer designated as “high-need” at some point, may fulfill the service obligation by continuing to teach in that field. However, because this change to the law only went into effect on July 1, 2010, any teaching service performed prior to the 2010–2011 school year will count toward the requirement only if the field is designated as “high-need” by the state in which the grant recipient is teaching at the time he or she begins qualifying teaching service.

There is no partial credit if an individual teaches for less than four years. The eight-year period can be suspended under certain limited circumstances. For example, a TEACH Grant recipient who is called or ordered to active military duty may request a suspension of the eight-year period in increments not to exceed three years. The request for suspension may be granted in one-year increments.

A discharge from the agreement to serve as a teacher can be obtained if a student dies or becomes totally and permanently disabled. Students may also qualify for a proportional discharge due to an extended call or order to active-duty military status.

The grant will convert to a Direct Unsubsidized Loan if the borrower fails or refuses to carry out the teaching service obligation. Interest will accrue from the date that each grant disbursement was made. Once converted, there will be a six-month grace period prior to entering repayment, and the borrower is eligible for all of the benefits of the Direct Loan Program. Converted grants are not counted against annual or aggregate loan limits.

In 2006, Congress created two new student grant programs—the Academic Competitiveness Grant Program and National Science and Mathematics Access to Retain Talent (SMART) Grant Program.

The ACG and Smart Grant programs were not reauthorized and therefore ended with the 2010–2011 award year. There are other grant programs, such as the Iraq and Afghanistan Service Grant. Students may be eligible for this grant if they are not eligible for a Pell Grant based on expected family contribution (EFC) but meet the remaining Pell Grant requirements, the student’s parent or guardian was a member of the U.S. armed forces and died as a result of military service performed in Iraq or Afghanistan after the events of September 11, and the student was under 24 years old or enrolled at college at least part-time at the time of the parent or guardian’s death. As is true for TEACH Grants, sequestration has also lowered the award amounts for Iraq and Afghanistan Service Grants.

Footnotes


“High-need” fields include bilingual education and English language acquisition, foreign language, math, reading specialist, science and special education, and any other field documented as high-need by the federal government or a state
government and approved by the Secretary. 34 C.F.R. § 686.2.

The Department publishes a directory of designated low-income schools for teacher cancellation benefits. This list also satisfies certain aspects of the teaching obligation for the TEACH Grant. See U.S. Dep’t of Educ., Fed. Student Aid, Teacher Cancellation Low Income (TCLI) Directory [1], available at https://studentloans.gov.


130 [130] 34 C.F.R. § 686.11.


132 [132] Id.

133 [133] 34 C.F.R. § 686.41.


137 [137] 34 C.F.R. § 686.12(e), 686.43.

In March 2018, the Department of Education released a study based, in part, on a 2016 survey of TEACH Grant recipients. One of the study’s key findings was that “when TEACH Grant recipients first received their grants, 89 percent thought they were likely or very likely to fulfill the service requirements, but at the time of the survey, 63 percent had their grants converted to a loan because they had not met the service requirements or the annual certification requirements.” U.S. Dep’t of Educ., Study of the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program [3] 16 (Mar. 2018).


A complaint filed by the Attorney General of Massachusetts alleged that servicing failures have caused TEACH Grants to be converted into loans when the servicer failed to process timely annual certification forms and failed to give grantees enough time to resubmit or make corrections to forms when additional information was required. Commonwealth v. Pa. Higher Educ. Assistance Agency [5], No. 1784CV02682, ¶ 57 (Mass. Super. Ct. filed Aug. 23, 2017) (complaint alleging violations of the state unfair and deceptive practices law and the federal Consumer Financial Protection Act; alleging that the “failure to process TEACH Grant certification forms properly and timely forces upon teachers the financial burden of being required to pay back loans that they never intended to take on in the first instance”), available at http://www.mass.gov.

139 [139] 34 C.F.R. § 686.43(c).

140 [140] 34 C.F.R. § 682.204(l). See § 2.2 [6], infra.


143 [143] See U.S. Dep’t of Educ., Dear Colleague Letter, GEN-16-11, FY 2017 Sequester Required Changes to the Title IV Student Aid Programs (May 31, 2016). The loan fees associated with TEACH Grants and Iraq and Afghanistan Service Grants have also been increased.

Source URL: https://library.nclc.org/sl/01040203

Links
[1] https://studentloans.gov/myDirectLoan/tcli.action
[6] https://library.nclc.org/nclc/link/SL.02.02