

**WAC 250-28-090 Repayment provisions.** (1) WICHE award recipients selected after January 1, 1995, shall receive tuition assistance in the form of loans. Recipients shall repay those loans under the following conditions, unless the loan is forgiven under (2) of this section.

(a) The recipient shall begin repaying the loan no later than nine months from the date he/she completes or discontinues the course of study; and

(b) The recipient shall make quarterly loan repayments to the board in an amount sufficient to repay the entire debt, including interest at an annual rate to be determined by the board, no later than five years from the due date of the first payment, unless the board grants a deferral in subsection (3) of this section.

(2) Service obligations.

(a) Loans to WICHE award recipients selected after January 1, 1995, may be completely forgiven in exchange for the recipient's service, if the recipient meets all of the following criteria: (1) After graduating, the recipient serves in a board-designated shortage area in Washington for the greater of (a) one full year of service for each award year or (b) three full years; and (2) the recipient provides documentation to the board of the service provided.

(b) A recipient who elects to assume the service obligations under (a)(1) and (2) of this subsection, but fails to complete those obligations, must repay the full amount of the loan unless the board waives the recipient's obligations under subsection (5) of this section. The recipient must notify the board when he/she terminates service in the shortage area. The obligation to repay the loan as provided in (1)(b) begins on the day following the last quarter of the recipient's service.

(3) The board may grant deferral of loan repayment obligations under this section under such terms and conditions as it deems appropriate. These conditions include periods of time in which the recipient is engaged in post-graduate training or residency training.

(4) The board is responsible for collecting loan repayments and shall exercise due diligence in such collections to ensure that maximum repayments are made. The board intends to exercise its collection responsibility diligently and to use all available legal avenues to meet its collection responsibility.

(5) The board may waive, in full or in part, a recipient's obligation for service or loan repayment when a recipient can no longer function in his or her professional duties due to a permanent disability; or death.

(6) The board shall deposit all receipts from loan repayment received under this section in the state treasurer's WICHE trust fund established by the Legislature in 1995, in § 1(5) of SB 5287. Those funds shall be used to cover costs of granting the conditional awards, maintaining necessary records and making collections. The board shall maintain accurate records of these costs, and all receipts beyond those necessary to pay such costs shall be used to grant CONDITIONAL AWARDS to eligible students.

[Statutory Authority: 1995 c 217. WSR 95-18-015, § 250-28-090, filed 8/24/95, effective 9/24/95.]