

## SUPPORTING STATEMENT

Information Collections Under the Regulations Governing Student Assistance General Provisions.

### A. JUSTIFICATION

#### 1. Necessity of Information Collected

This request is for approval of the reporting requirements that are contained in the Student Assistance General Provisions regulations - Subpart J, governing the approval of State processes for assessments used to measure a student's skills and abilities, as well as private test publisher submissions for approval by the Secretary and the administration of tests that may be used to determine a student's eligibility for assistance for the Title IV student financial assistance programs authorized under the Higher Education Act of 1965, as amended (HEA).

On November 5, 1990 the Omnibus Budget Reconciliation Act of 1990 (OBRA), P.L. 101-508, was enacted which required;

- (1) that all postsecondary institutions could only admit those students who had a high school diploma or recognized equivalent or who passed an independently administered ability-to-benefit test which was approved by the Secretary, and
- (2) that to be eligible to receive Title IV student financial assistance students had to have a high school diploma or recognized equivalent or pass an independently administered ability-to-benefit test which was approved by the Secretary.

The Higher Education Amendments of 1992 (P.L. 102-325) enacted on July 23, 1992, required the Department to issue final regulations. These final regulations were published in the Federal Register on December 1, 1995. These regulations implemented changes made to section 484(d) of the HEA, as amended.

With the approval of OMB, the Secretary issued a list of approved tests so that postsecondary institutions could comply with the regulations, which took effect on July 1, 1996. The most recent list of approved "ability to benefit" (ATB) tests were published on May 19, 2006. (See 71 FR 29135.)

There are two sources of paperwork burden associated with this collection activity in these established regulations. Those States, individuals or organizations who develop State processes or tests must send certain documentation to the Secretary for evaluation and consideration before being placed on the approved State process or test list. Students who have already taken one of the tests on the list of approved tests published in the Federal Register need to provide their respective postsecondary institutions with evidence

that they scored above the cut-score established by the Secretary in order to be eligible for Title IV Federal student financial assistance.

All other burden is associated with the maintenance of records of the student's ability-to-benefit is already cleared under the individual programs of Federal financial assistance for which these students may be applying and under regulations governing institutions administering these programs. The requirement for establishing and recording a student's ability-to-benefit was established in 1987.

The Department of Education is seeking continued approval of this paperwork package for these established regulations in order to notify students and institutions of the list of approved State processes or tests, and to invite States and publishers to continue to submit plans or tests for the Secretary's approval.

The Department of Education is requesting review and approval for the following paperwork sections:

- §668.143 – Approval of State tests or assessments
- §668.144 – Application for test approval
- §668.145 – Test approval procedures
- §668.146 – Criteria for approving tests
- §668.148 – Additional criteria for the approval of certain tests
- §668.149 – Special provisions
- §668.150 – Agreement between the Secretary and the test publisher
- §668.151 – Administration of tests
- §668.152 – Administration of tests by assessment centers
- §668.153 – Administration of tests for students whose native language is not English
- §668.156 – Approved State process

## 2. **Purpose and Use of Information Collected**

Student Assistance General Provisions:

### Subpart J – Approval of Independently Administered Tests

The Department of Education is responsible for evaluating the quality of the State plans and tests submitted under the provisions articulated by the Secretary. Department staff will read the submitted tests and use services contracted through psychometricians to evaluate the submitted ATB tests using the Secretary's guidelines in these established regulations to determine if the tests meet the conditions for approval by the Secretary.

Postsecondary institutions will evaluate the test scores obtained by the student applicants for Federal student assistance to determine whether the student is eligible under the law for Title IV, HEA program assistance.

3. **Consideration of Improved Information Technology**

Although there are no legal or technical obstacles to the use of technology in this information collection activity, the process for applicants to submit their tests for approval is generally not conducive to any more sophisticated use of technology. However, over time we have seen ATB test publishers move from “paper and pencil” tests to computer-based testing and would expect this trend to expand. As testing moves into a computer-based format, the reporting of the test results by test publishers to the institutions the student plans to attend may become more automated, until then States and test publishers will continue to provide students with a paper output report or electronic output document, and institutions with an electronic output document.

4. **Efforts to Identify Duplication**

The information supplied for State provided plans, for ATB test publisher applications for test approval, and in the students' test score results is not duplicated on any other information collection.

5. **Burden Minimization as Applied to Small Business**

The information collected in this application represents the minimum necessary. We expect little to no additional impact since most of the ATB test publishers also produce non-ATB tests using similar instruments and processes, therefore the burden associated with using an ATB test is minimized.

6. **Consequences of Less Frequent Data Collection**

The request for approval of a State process is continuously based upon (1) activities that are included in the process and (2) student outcomes. To date, there have been zero State submissions for approval.

The request for ATB test approval from test publishers will continue to be as often as the test developers determine it is in their interest to apply for the Secretary's approval or as the five year agreement reaches its expiration consistent with the regulations in Subpart J. The submission of the student's test score results from the test publisher to the institution generally, will occur only once. In other cases, where the institution is a two-year or four-year degree granting institution or a public postsecondary vocational institution and the institution has a qualified assessment center, the center may score the student's ATB test and provide the results to the student's institution.

7. **Special Circumstances Governing Data Collection**

This application is consistent with all of the guidelines in 5 CFR 1320.6, except for the request for five copies of the tests. These tests are copyrighted and cannot be duplicated by the Department for review purposes. Therefore, the Department is requesting a waiver for 5 CFR 1320.6. Five copies of the tests are required because the tests are reviewed and analyzed by Department staff and several testing experts under contract with the Department, before any test approval is granted by the Secretary.

8. **Consultation Outside the Agency**

Prior to the approval of any ATB test that is submitted to the Secretary for approval, the Department contract with psychometricians(s) (testing experts) to provide technical assistant to the Department. The psychometrician provides an expert opinion on the submission relative to the regulatory requirements and consistent with professional testing standards.

9. **Payments or Gifts to Respondents**

There are no payments or gifts to respondents.

10. **Assurance of Confidentiality**

There is assurance of confidentiality provided to the respondents concerning the application for State plans or test approval and assurance of confidentiality for the submission of test scores. This confidentiality would be ensured through sections 668.149, 668.150, and 668.151 of the attached final regulations.

11. **Questions of a Sensitive Nature**

There are no questions of a sensitive nature in this application.

12. **Annual Hour Burden for Respondents/Recordkeepers**

**Current Burden Hour Assessment – disaggregated by Affected Entity**

The Department estimated that there would be:

- a. 10 State plans,
- b. 40 applications from publishers to be reviewed for test approval, and
- c. 40 agreements between the Secretary and test publisher.

State plans were estimated to take an average of 40 hours each to complete, test publishers applications and additional documentation were estimated to take an average

of 40 hours each to complete, and the agreements between the Secretary and test publisher were estimated to take an average of 1 hour each to complete for the following total of burden hours by affected entity.

**Total Current Inventory – disaggregated by affected entity:**

Affected Entities:

**INDIVIDUALS:**

Estimated # of student applicants taking ATB tests for Title IV eligibility purposes	150,000
Average amount of time for each test score submission	.5 hours
	<hr/>
Burden hours for individuals	75,000 hours

**BUSINESSES:**

**For-profit -**

Estimated # of for profit test publishers that will submit their ATB test for approval to ED	36
Average # of hours to complete and submit their ATB test to the Secretary, plus 1 hour to complete and submit the ATB test agreement	41
	<hr/>
Total hours:	1,476

**Not-for-profit –**

Estimated # of for profit test publishers that will submit their ATB test for approval to ED	4
Average # of hours to complete and submit their ATB test to the Secretary, plus 1 hour to complete and submit the ATB test agreement	41
	<hr/>
Total hours:	164

**STATE, LOCAL & TRIBAL ENTITIES:**

Estimated # of for profit test publishers that will submit their ATB test for approval to ED	10
----------------------------------------------------------------------------------------------	----

Average # of hours to complete and submit their ATB test to the Secretary	40
---------------------------------------------------------------------------	----

Total hours:	400
--------------	-----

<b><u>TOTAL CURRENT BURDEN HOURS:</u></b>	77,040
-------------------------------------------	--------

**Revisions to the Current Inventory:**

Since publishing the initial burden assessment, there have been zero State plan submissions, therefore the revised inventory removes burden associated with the submission of State plans. Currently, there are four test publishers with nine currently approved ATB tests. We expect that there will continue to be approximately nine approved ATB test and this analysis includes the possibility of one additional new test in the revised burden assessment below. Also, the original burden assessment referred to 150,000 student test score submissions whereby the student submits his or her scores to the institution, however, consistent with the requirements, scoring of the ATB test is either completed and submitted by an assessment center (generally at a two or four-year degree granting institution) or by an approved independent test administrator. The institution relies on the ATB test score as provided by the center (State – 2 year and 4 year institutions) or the approved test administrator (Business – for-profit), not as provided by the student. As a result, the revised disaggregated data reflects these two submission sources and the reporting burden incurred by these entities and eliminates any reporting burden attributable to students, as well as reflects the total number of ATB respondents increasing from an estimated 150,090 to 360,010.

**Affected Entities:**

**INDIVIDUALS:**

N/A

**BUSINESSES:**

**For-profit -**

A.1. ATB test score submissions -

Estimated # of test score submissions submitted by Independent test administrators	210,000
------------------------------------------------------------------------------------	---------

Average amount of time for each test score submission	.5 hours
-------------------------------------------------------	----------

Burden hours attributable at for-profit test administrators	105,000 hours
-------------------------------------------------------------	---------------

A.2. ATB tests submitted for the Secretary’s approval-

Estimated # of for profit test publishers that will submit their ATB test for approval to ED	9
Average # of hours to complete and submit their ATB test to the Secretary, plus 1 hour to complete and submit the ATB test agreement	101
	<hr/>
Total hours:	909

**Not-for-profit –**

B.1. ATB test score submissions –

Estimated # of for profit test publishers that will submit their ATB test for approval to ED	0
Average # of hours to complete and submit their ATB test to the Secretary, plus 1 hour to complete and submit the ATB test agreement	.5
	<hr/>
Total hours:	0

B.2. ATB tests submitted for the Secretary’s approval-

Estimated # of for profit test publishers that will submit their ATB test for approval to ED	1
Average # of hours to complete and submit their ATB test to the Secretary, plus 1 hour to complete and submit the ATB test agreement	101
	<hr/>
Total hours:	101

**STATE, LOCAL & TRIBAL ENTITIES:**

C.1. ATB test score submissions -

Estimated # of test score submissions submitted by assessment centers	150,000
Average amount of time for each test score submission	.5 hours
	<hr/>

Burden hours for individuals	75,000 hours
C.2. ATB tests submitted for the Secretary's approval-	
Estimated # of for profit test publishers that will submit their ATB test for approval to ED	0
Average # of hours to complete and submit their ATB test to the Secretary	40
	<hr/>
Total hours:	0
TOTAL CURRENT BURDEN HOURS:	181,010

**13. Annual Cost Burden to Respondents**

Test publishers sell their approved tests to institutions (using an independent test administrator) and to assessment centers who administer tests to students in order to determine a student's ability-to-benefit for Title IV programs. Under section 487 of the HEA and 34 CFR 668.14, a school cannot charge any student a fee for processing or handling of an application, form, or data required to determine a student's eligibility for Title IV assistance. This would include ATB tests. Therefore, there is no cost to the respondents that take ability-to-benefit tests. Also, it is not possible to estimate the cost per respondent for the ATB tests for approval because the amount of recordkeeping and burden time required to prepare a State Plan or test for approval varies from State to State and publisher to publisher within a potentially wide range of variables.

**14. Estimated Annual Cost to the Federal Government**

The Department will incur cost for analysis of documentation submitted by States and test publishers for approval of a State test or assessment, State Process, or test used to determine a student's ability to benefit to establish his or her eligibility for Title IV assistance. A State test or assessment or State Process would be reviewed and analyzed by Departmental staff. Test packages will be reviewed and analyzed by outside consultants paid by the Department.

ATB Tests Reviewed

Department Cost (including contractor cost) Per ATB Analysis Review

<u>ATB Analysis</u>	<u>Time</u>	<u>Cost per hour</u>	<u>Total Cost</u>
State Test or Assessment	N/A	\$35.00 per hour	\$0.00





**INVENTORY SUMMARY:**

Respondents, Responses and Burden Hours:

	# of Respondents	# of Responses	# of Burden Hours
Current:	150,090	150,090	77,040
Correction:	-148,925	+209,920	104,070
Revised:	1,165	360,010	181,110

16. **Collection of Information with Published Results**

This information will not be used for statistical purposes.

17. **Approval to Not Display Expiration Date**

There is no reason to seek approval to not display the expiration date for OMB approval of the information collection.

18. **Exception to the Certification Statement**

No exceptions.