

**SUPPORTING STATEMENT FOR REQUESTS FROM OMB FOR APPROVAL  
UNDER THE PAPERWORK REDUCTION ACT AND 5 CFR 1320**

**TEACHER CANCELLATION LOW INCOME DIRECTORY**

SUPPORTING STATEMENT FOR REQUESTS FROM OMB FOR APPROVAL  
UNDER THE PAPERWORK REDUCTION ACT AND 5 CFR 1320

TEACHER CANCELLATION LOW INCOME DIRECTORY

A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The Higher Education Act of 1965, as amended, (HEA) allows for up to a one hundred percent cancellation of a Federal student loan if the graduate teaches full-time in an elementary or secondary school serving low-income students.

The cancellation rate is 15% of the original principal loan amount plus the interest on the unpaid balance accruing during the year of qualifying service, for each complete academic year, or its equivalent, of full time teaching.

The data collected for the development of the Teacher Cancellation Low Income Directory will provide access to all elementary and secondary schools that serve low-income students. The Directory allows post-secondary institutions to determine whether or not a teacher, who received a Federal Perkins Loan, Direct Loan, or Federal Family Education Loan at their school, is eligible to receive a loan cancellation as provided under Title I of the Elementary and Secondary Education Act of 1965.

The legislative authority governing the Teacher Cancellation process and the development of the Low Income Directory is Federal Perkins Loan funds 34 CFR 674.153; for the Federal Family Education Loan (FFEL) 34 CFR 652.215; and for the William D. Ford Direct Loan (DL) Program 34 CFR 685.217.

Effective August 14, 2008, The Higher Education Opportunities Act (P. Law 110-315) amended section 465(a)(2)(A) of the Higher Education Act of 1965, as amended, to authorize loan cancellation for full-time teaching service in locations operated by an educational service agency. An educational service agency, defined in section 9101 of the ESEA, is a regional public multi-service agency authorized by State statute to develop, manage, and provide services or programs to local educational agencies. If a State has established educational service agencies and these agencies employ full-time teachers of elementary or secondary students from low-income families that make up 30 percent or more of the agencies total population, the educational service agency must be included in the updated TCLI Directory submitted to the Department.

The list of schools and educational service agencies that serve low-income families in the TCLI Directory qualifies teachers for loan cancellation under the Federal Perkins Loan Program, the Federal Family Education Loan (FFEL) Program and the William D. Ford Federal Direct Loan (Direct Loan) Program. This list also satisfies certain aspects of the teaching obligation in the Teacher Education Assistance for College and Higher Education (TEACH) Grant program. If a State does not update its list of low-income schools, Perkins, FFEL and Direct Loan borrowers and TEACH Grant recipients who teach in that State may not receive Federal program benefits to which they may be entitled.

2. **Indicate how, by whom, and for what purpose the information is to be used. Except for new collection, indicate the actual use the agency has made of the information received from the current collection.**

Information is obtained from State Agencies that contribute to the development of a directory of elementary and secondary schools and educational service agencies that serve low-income families that qualify for the teacher cancellation benefit. Failure to collect this information would prevent teachers from receiving the student loan cancellations for which they are qualified because they meet the requirements established by the Secretary and the provisions of the HEA.

Schools, teachers and State agencies use information in the Directory.

3. **Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

The Teacher Cancellation Low Income Directory has become a web-based system. Changes and updates to the directory may be made whenever necessary. Also, any changes to the directory will be made in real time. This will allow students who may be authorized to have all or part of their loans forgiven for teaching at schools that meet the criteria as being designated as a low income school to have access to immediate and accurate data.

The Teacher Cancellation Low Income directory can be accessed at <https://www.tcli.ed.gov/>

4. **Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.**

There is no duplication of data.

- 5. If the collection of information impacts small business or other small entities (Item 5 of OMB Form 83-1), describe any methods used to minimize burden.**

This collection does not involve small businesses or other small entities.

- 6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

If the collections were done less frequently, the ability to cancel student loans that qualify for cancellation throughout the school year would be hindered.

- 7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;

Our collections are consistent with guidelines in 5 CFR 1320.6.

- 8. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instruction and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

The data is requested from State agencies only. We will publish 60-day and 30-day Federal Register Notices to allow public comment.

- 9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

There is no payment or gift to respondents.

- 10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulations, or agency policy.**

This is public information.

- 11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary; the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their**

**consent.**

This collection does not include information of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information.**

There are a total of 57 State agency respondents. The data can be updated at any time and is used for three financial aid programs in the Department. State agencies collect data from elementary and secondary schools in their districts, review the data, and add any new data to the Directory they deem necessary. The Office of Postsecondary Education has done everything possible to reduce the burden. A random sample of a few State agencies showed that it took an average of three 40-hour work weeks to collect, review and input data in the Directory.

| <u>Respondents</u>                       | <u>Est. Average Schs.<br/>Per State Agency</u> | <u>Est. Average<br/>Person Hours Per<br/>State Agency</u> | <u>Total Hours</u> |
|--|--|---|--------------------|
| 57 State<br>Agencies                     | 1221   | 122.5   | 6982.5             |
| <u>Estimated total<br/>Cost Per Hour</u> |  | <u>Estimated Total Cost</u>                               |                    |
| \$20.00                                  |  | \$139,650.00  |                    |

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.**

The nature of business for State agencies is such that purchases of equipment and provision of services that are required for completion of their directory submissions are a part of their customary and usual business practice. They are the type of equipment and services normally necessary to successfully operate any State entity. Therefore, no special equipment or services are required for providing the data.

**14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

The Campus-Based Systems and Operations contractor maintains the updated data in the eCampus-Based.

Operation & Maintenance Costs to the Federal Government

2020, LLC  
3110 Fairview Park Drive  
Suite 950  
Falls Church, Virginia 22042

Total Yearly Cost \$23,388

Staffing, Operations, & Overhead Cost

The staffing, operations, and overhead costs are minimal. One staff member is required for maintaining the security of the TCLI Directory and answering questions from State agencies.

Yearly Staff cost \$ 2,071.20

This process takes approximately eighty hours to complete for a yearly cost of \$2071.20 (80 hrs x 1 employee x \$25.89 average hourly rate).

Yearly overhead cost \$ 331.40

A standard budget estimate of 16% was used to determine the overhead costs of staff operations including such items as equipment, utilities, work materials, etc.

Total Staff and Overhead Cost \$ 2,402.60

**Total Estimated Cost to the Federal government \$25,790.60**

- 15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-1.**

There have been no changes to items 13 or 14 of the OMB Form 83-I.

- 16. For collection of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publications dates, and other actions.**

This information is not collected for statistical publication.

- 17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

Displaying the expiration date on the Teacher Cancellation Low Income software is appropriate.

- 18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions, "of OMB Form 83-1.**

We are not asking for any exceptions.