

The Secretary amends the Student Assistance General Provisions by adding new Subpart Q to Part 668. This subpart applies to postsecondary educational programs that lead to gainful employment (GE) in recognized occupations.

This is a new information collection for §668.406 – Appeals for D/E rates, which allows an institution to submit alternate earnings appeals to challenge the Secretary’s determination of a GE program that is failing or in the zone under the D/E rates.

The regulations provide an institution the opportunity to make an alternate earnings appeal under §668.406(c) and (d). An institution could appeal a GE program’s final D/E rates in any year in which the program’s D/E rates are failing or in the zone. In submitting an appeal under the regulations, an institution will seek to demonstrate that using alternate earnings the recalculated rates are sufficient to pass the D/E rates measure or to be in the zone. The institution may base its appeal on alternate earnings evidence from a survey conducted in accordance with requirements established by NCES or from earnings information from a State-sponsored data system.

Section 668.406(c) – Survey requirements for appeals.

We estimate that private-non-profit institutions will have 20 gainful employment programs in the zone and that 8 programs will be failing for a total of 28 programs. We expect that most institutions will determine that SSA data reflect accurately the earnings of students and will therefore not elect to conduct the survey. Accordingly, we estimate that private-non-profit institutions will submit alternate earnings appeals under the survey appeal option for 10 percent of those programs, which will equal 3 appeals annually. We estimate that conducting the survey, providing the institutional certification, and obtaining the examination-level attestation engagement report will total, on average, 100 hours of increased burden, therefore burden will increase 300 hours (3 appeals times 100 hours of burden per appeal) under OMB Control Number 1845-0122.

Section 668.406(d) – State-sponsored data system requirements for appeals.

We estimate that there will be 8 failing GE programs at private non-profit institutions and 20 programs in the zone, for a total of 28 programs. We expect that most institutions will determine that SSA data reflect accurately the earnings of students who completed a program and will therefore not elect to submit earnings data from a State-sponsored system. Accordingly, we estimate that in 10 percent of those cases, institutions will obtain earnings data from a State-sponsored system, resulting in 3 appeals. We estimate that, on average each appeal will take 20 hours, including execution of an agreement for data sharing and privacy protection under FERPA between the institution and a State agency (when the State agency is located other than in the State in which the institution resides), preparing the list(s), submitting the list(s) to the appropriate State agency, reviewing the results, calculating the revised D/E rates, and submitting those results to the Secretary. Therefore burden will increase by 60 hours (3 State system appeals times 20 hours) under OMB Control Number 1845-0122.

Section 668.406(e) – Appeals procedure.

We estimated above that private non-profit institutions will have 3 alternative survey appeals annually plus 3 State-sponsored data system appeals for a total of 6 appeals. We estimate that completing and submitting a notice of intent to use alternate earnings survey data or a State data appeal increases burden, on average, by 0.25 hours per submission or 2 hours under OMB Control 1845-0122.

TOTALS

Responses	12
Respondents	6
Burden Hours	362