

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION**

**TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION
GRANT ELIGIBILITY REGULATIONS**

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 hard copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information, or you may provide a valid URL link or paste the applicable section¹. Specify the review type of the collection (new, revision, extension, reinstatement with change, reinstatement without change). If revised, briefly specify the changes. If a rulemaking is involved, make note of the sections or changed sections, if applicable.

The College Cost Reduction and Access Act (the CCRAA), Pub. L. 110-84, established the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program under Part A of the Higher Education Act of 1965, as amended (the HEA). The regulations for the TEACH Grant Program are in [34 CFR 686](#).

The TEACH Grant Program was included for review in the Negotiated Rulemaking which took place in early 2019. The review occurred, in part, in response to a report by the Government Accountability Office which found concerns with the conversion rates of the TEACH Grants to Direct Unsubsidized Loans. Additionally, a report conducted for the Department by the American Institutes for Research identified multiple factors for the conversion of the TEACH Grants to loans including a lack of understanding of the service obligation and of the need for annual certification of qualifying teaching.

Addressing the concerns raised by these studies, the U.S. Department of Education (the Department) and negotiators developed proposed amendments to simplify the current TEACH Grant regulation to improve program understanding to reduce grant-to-loan conversions, as well as to update, strengthen, and clarify other areas of the TEACH Grant Program regulations.

Section 686.32 of the TEACH Grant regulations is being updated via this information collection. The final regulations in section 686.32 revise the information that is provided to TEACH Grant recipients during initial, subsequent, and exit counseling. The final regulations also add a new conversion counseling requirement for grant recipients whose TEACH Grants are converted to Direct Unsubsidized Loans. This conversion counseling material will be provided directly to the recipient from the Department based on the last address provided by the recipient.

¹ Please limit pasted text to no longer than 3 paragraphs.

This is a request for a revision of the existing burden hours in OMB Control Number 1845-0084 which provides for TEACH Grant counseling.

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

The recordkeeping requirements for the counseling regulations assure accountability of program participants for proper program administration and justify the payment of funds by the federal government. This information collection aids in assuring that the Federal dollars are not lost to fraud, waste, or abuse.

The information in the conversion counseling is provided to TEACH Grant recipients whose grant is converted to a loan and reiterates the rights and responsibilities of the recipients in the repayment of the Direct Unsubsidized Loan.

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

The new regulations require that the conversion counseling be provided electronically as well as in written form to the grant recipient.

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.

These regulations were created with the participation of affected parties who had a vested interest in avoiding duplication. The new required information is not captured in any other Department system.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden. A small entity may be (1) a small business which is deemed to be one that is independently owned and operated and that is not dominant in its field of operation; (2) a small organization that is any not-for-profit enterprise that is independently owned and operated and is not dominant in its field; or (3) a small government jurisdiction, which is a government of a city, county, town, township, school district, or special district with a population of less than 50,000.

No small businesses are impacted by this collection.

6. Describe the consequences 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.

The recordkeeping requirements for the updated counseling are necessary to ensure accountability of program participants for proper program administration and less frequent collection could impair accountability of program participants.

The provision of the electronic conversion counseling will provide information to recipients about the loan repayment obligations and options available to them and aid in the repayment of the loan, minimizing issues with defaulted loans.

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

- requiring respondents to report information to the agency more often than quarterly;
- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- requiring respondents to submit more than an original and two copies of any document;
- requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study;
- requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or that unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

The collection of this information will be conducted in a manner that is consistent with the guidelines in 5 CFR 1320.5(d)(2).

8. As applicable, state that the Department has published the 60 and 30 Federal Register notices as required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

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.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

These regulations governing the counseling requirements of the TEACH Grant Program were developed through negotiated rulemaking. The Notice of Proposed Rulemaking did not include a specific estimate of respondents or burden hours as the conversion notification language had not and has not been finalized. Estimates of respondents and burden hours have been included with the Final Rule filing.

On July 24, 2020, a notice was published in the Federal Register (Vol. 85, No. 143, pages 44868-44869) requesting public comment on the burden estimates for this information collection. No public comments were received. There is no change to the burden estimate. The Department is now requesting a 30-day comment period to allow for public reviews of the burden estimate.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees with meaningful justification.

No payments of gifts will be provided to the respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If personally identifiable information (PII) is being collected, a Privacy Act statement should be included on the instrument. Please provide a citation for the Systems of Record Notice and the date a Privacy Impact Assessment was completed as indicated on the IC Data Form. A confidentiality statement with a legal citation that authorizes the pledge of confidentiality should be provided.² If the collection is subject to the Privacy Act, the Privacy Act statement is deemed sufficient with respect to confidentiality. If there is no expectation of confidentiality, simply state that the Department makes no pledge about the confidentiality of the data.

A Privacy Act Notice is included on the Free Application for Federal Student Aid (FAFSA) application form and the TEACH Grant Agreement to Serve or Repay, both of which are used to determine program eligibility. In both of these forms, the applicant is informed of the statutory authority for collecting the information requested. Although the disclosure of the information is voluntary, the recipient is informed that in order to be considered for TEACH Grant funds, the information must be provided.

The information provided is used to verify the grant recipient's identity, to determine the grant recipient's eligibility to receive the TEACH Grant benefits, and in those cases where a TEACH Grant is converted to a Direct Unsubsidized Loan, to permit the servicing of the borrower's loan(s), and to locate the borrower and collect on the loan(s) if the loan(s) become delinquent or default. A listing of the persons and entities to which the information may be disclosed and for what purposes the information may be disclosed is also included.

² Requests for this information are in accordance with the following ED and OMB policies: Privacy Act of 1974, OMB Circular A-108 – Privacy Act Implementation – Guidelines and Responsibilities, OMB Circular A-130 Appendix I – Federal Agency Responsibilities for Maintaining Records About Individuals, OMB M-03-22 – OMB Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002, OMB M-06-15 – Safeguarding Personally Identifiable Information, OM:6-104 – Privacy Act of 1974 (Collection, Use and Protection of Personally Identifiable 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. The 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.

The Department is not requesting any sensitive data.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- Indicate the number of respondents by affected public type (federal government, individuals or households, private sector – businesses or other for-profit, private sector – not-for-profit institutions, farms, state, local or tribal governments), frequency of response, annual hour burden, and an explanation of how the burden was estimated, including identification of burden type: recordkeeping, reporting or third party disclosure. All narrative should be included in item 12. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.
- If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in the ROCIS IC Burden Analysis Table. (The table should at minimum include Respondent types, IC activity, Respondent and Responses, Hours/Response, and Total Hours)
- Provide estimates of annualized cost to respondents of the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.

TEACH Grants:

Section 686.32 – Counseling requirements

The final regulations in §686.32 will expand the information that is provided to TEACH Grant recipients during initial, subsequent, and exit counseling. With this revision, the Department is not requesting any change to the current counseling burden assessment for the initial, subsequent or exit counseling requirements.

The final regulations will add a new conversion counseling requirement for grant recipients whose TEACH Grants are converted to Direct Unsubsidized Loans. We are requesting additional burden based on the inclusion of the new required conversion counseling established in section 686.32(e).

Currently there is burden of 24,459 hours assessed to 37,749 respondents for the counseling requirements of section 686.32 in the regulatory information collection 1845-0084 as filed in January 2018.

These figures do not include the new conversion counseling that is required under the final regulations. The expansion and revision of the required program counseling requires changes to the counseling currently available.

We anticipate that approximately 1,520 TEACH Grant recipients will either voluntarily convert their grant to a loan or will run out of time to complete the teaching obligation and have the grant converted to a loan. This is based on the number of voluntary and out of time conversions noted for 2019. We do not believe there will be a significant increase or decrease in such activity.

We believe that it will take a TEACH Grant recipient the same approximate 20 minutes (.33 hours) to review the new conversion counseling materials as it takes them to review the other required counseling materials. We estimate the total burden of 502 hours (1,520 x .33 hours) for recipients to review the conversion counseling material.

The changes to the initial, subsequent, exit, and new conversion counseling information collection will be completed and a full public clearance filing will be made after publication of the final rule and before being made available for use by the effective date of the regulations.

§686.32 – Counseling requirements. – OMB Control Number 1845-0084 New Conversion Counseling Figures Only				
Entity	Respondent	Responses	Time to Respond	Burden Hours
Individual	1,520	1,520	.33 hours	502
TOTAL	1,520	1,520		502

Current Burden Associated with this information collection:

# of Respondents	# of Responses	#Burden Hours
37,797	232,324	36,673

Revised Burden:

# of Respondents	# of Responses	#Burden Hours
39,317	233,844	37,175

Difference:

# of Respondents	# of Responses	#Burden Hours
+1,520	+1,520	+502

The estimated cost to the recipients is \$14,799, based on the \$29.48 per hour averaged for 2018 elementary, middle school and high school teacher salaries from the 2019 Bureau of Labor Statistics Occupational Handbook.

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14.)

- The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and acquiring and maintaining record storage facilities.
- If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government or (4) as part of customary and usual business or private practices. Also, these estimates should not include the hourly costs (i.e., the monetization of the hours) captured above in Item 12

Total Annualized Capital/Startup Cost : _____
Total Annual Costs (O&M) : _____
Total Annualized Costs Requested : _____

There are no additional costs not identified in item 12.

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.

We are now able to provide a cost estimate of \$1,000,000 for initial development of TEACH Grant Conversion Counseling with \$100k per year for ongoing O&M.

15. Explain the reasons for any program changes or adjustments. Generally, adjustments in burden result from re-estimating burden and/or from economic phenomenon outside of an agency's control (e.g., correcting a burden estimate or an organic increase in the size of the reporting universe). Program changes result from a deliberate action that materially changes a collection of information and generally are result of new statute or an agency action (e.g.,

changing a form, revising regulations, redefining the respondent universe, etc.). Burden changes should be disaggregated by type of change (i.e., adjustment, program change due to new statute, and/or program change due to agency discretion), type of collection (new, revision, extension, reinstatement with change, reinstatement without change) and include totals for changes in burden hours, responses and costs (if applicable).

This is a request for a revision of the current information collection. These changes are due to revision in the regulations for the TEACH Grant program. The increase in burden of 502 hours for 1,520 respondents is due to the addition of the new conversion counseling requirement.

16. For collections 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, publication dates, and other actions.

The result of the collection of information will not be published.

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.

The Department is not seeking this approval.

18. Explain each exception to the certification statement identified in the Certification of Paperwork Reduction Act.

The Department is not requesting any exceptions to the "Certification for Paperwork Reduction Act Submission".