



UNITED STATES DEPARTMENT OF EDUCATION

June 28, 2021

MEMORANDUM

TO: Lindsay Abate
Office of Management and Budget Desk Officer

FROM: Beatriz Ceja
Senior Director, Institutional Service

RE: Emergency request for Paperwork Reduction Act (PRA) approval

Pursuant to the Office of Management and Budget (OMB) procedures established at 5 CFR 1320, ED requests that the following collection of information, Endowment Excise Tax: Allocation Reduction Waiver, be processed in accordance with section 1320.13 Emergency Processing. The U.S. Department of Education (the Department) has determined that this information must be collected prior to the expiration of time periods established under Part 1320, and that this information is essential to ED's ability to effectively address the disruptions posed by the Novel (new) Coronavirus ("2019-nCoV").

The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) (P.L. 116-260), enacted on December 27, 2020, provided \$22.7 billion for assistance to institutions of higher education (IHEs) under the Higher Education Emergency Relief Fund (HEERF). Pursuant to section 314(d)(6) of CRRSAA, any institution that was required or will be required to remit payment to the Internal Revenue Service for the excise tax paid on investment income of private colleges and universities under section 4968 of the Internal Revenue Code of 1986 for tax year 2019 must notify the Department that it was required or will be required to remit such payment. Further, these IHEs must certify that the institution will not draw down more than 50% of its total allocation under CRRSAA section 314 prior to requesting a waiver under Section 314(d)(6)(B), which permits the Secretary to waive the requirements to reduce a grantee's allocation, if upon application, an IHE demonstrates need for the total amount of funds such institution is allocated under section 314(a)(1) of CRRSAA. The proposed form provides institutions with the opportunity to request this waiver and collects data needed to evaluate their waiver request.

If this emergency collection is not approved, the Department will be unable to receive and review waiver requests in a timely manner, delaying the release of funds to IHEs and students that are still recovering from the effects of the pandemic.

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The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

Given the short timeframe, the Department is unable to consult with the public prior to issuing the form. However, the Department has ample experience designing other similar forms in a way that is clear and minimizes burden. We estimate that the form will require 1 hour per respondent to complete.

The Department is requesting an emergency clearance from OMB by July 26 and will publish an emergency notice with a 60 day comment period as required by 5 CFR 1320.8(d) to solicit public comments on the regular information collection.