

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION**

Federal Perkins Loan Assignment Form and Instructions

- 1. Explain the circumstances that make the collection of information necessary. What is the purpose for this information collection? Identify any legal or administrative requirements that necessitate the collection. Include a citation that authorizes the collection of information. 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, list the sections with a brief description of the information collection requirement, and/or changes to sections, if applicable.**

The U.S. Department of Education (the Department) is authorized to accept Federal Perkins Loan (Perkins Loan) Program assignments under Section 463(a)(5) of the Higher Education Act of 1965, as amended. Institutions participating in the Perkins Loan program, including loans made under the National Direct/Defense Student Loan Program (NDSL), use the form (OMB Control Number 1845-0048) to assign loans to the Department for collection without recompense. This request is for approval of the assignment form which allows for assignment of Perkins Loans either individually or in a batch format, utilizing either the paper based or electronic filing format.

An institution may use the form to assign one or more loans to the Department at any time throughout the year. Some conditions under which an institution could utilize the assignment form include defaulted loans, total permanent disability discharges, voluntary withdrawal from the program, termination from the program, closure of the institution and liquidation of its Perkins Loan portfolio.

The Department is requesting a revision of the currently approved collection. One minor change has been made to the form to include the option of a foreign address for the borrower.

- 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 Perkins Assignment Form is the transmittal document for the assignment process. It collects pertinent information required by the Department from the institution to support the loans being submitted for assignment and liquidation of its Perkins Loan portfolio. It also transfers to the Department the legal authority to collect on loans that are not eligible for a regulatory cancellation. Schools may assign loans to the Department in an effort to end their loan servicing responsibilities and to reduce the collection costs.

- 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. Please identify systems or websites used to electronically collect this information. Also describe any consideration given to using technology to reduce burden. If there is an increase or decrease in burden related to using technology (e.g. using an electronic form, system or website from paper), please explain in number 12.

The Department's Perkins Loan Assignment System (PLAS) allows for the electronic submission of this form. To access the site, the institution must have been provided system access which allows for an electronic signature to complete the electronic submission. The full electronic format for submission of the assignment form and information was made available to eligible participating institutions in 2015 and allows for individual or batch processing of assignments with the institutions uploading electronic versions of the supporting documentation. While the paper assignment filing and mailing process continues to be an option, many institutions have opted to use the batch functionality of PLAS.

- 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 as a result of the collection of this information.

- 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.**

The Department anticipates that the ability of an institution to batch Perkins Loan assignments using the PLAS will mitigate any impact on affected small businesses.

- 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.**

If this collection is not conducted, Perkins loans would not be able to be assigned. The frequency and timing of reporting will vary with the reason the institution is reporting the information.

- 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.**

This information collection does not involve any of these special circumstances.

- 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.**

Include a citation for the 60 day comment period (e.g. Vol. 84 FR ##### and the date of publication). Summarize public comments received in response to the 60 day notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden. If only non-substantive comments are provided, please provide a statement to that effect and that it did not relate or warrant any changes to this information collection request. In your comments, please also indicate the number of public comments received.

For the 30 day notice, indicate that a notice will be published.

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.

The Department receives input from the schools participating in the Perkins Loan program through numerous conferences attended by Department employees, such as the National Association of College and University Business Offices (NACUBO), the National Association of Student Financial Aid Administrators (NASFAA), and the Coalition of Higher Education Assistance Organizations (COHEAO) conferences. COHEAO represents Perkins schools, Perkins loan servicers, and Perkins loan collection agents.

On June 9, 2021, a Federal Register Notice was published (Vol. 86, No. 109, page 30597) requesting public comment on this information collection. No public comment was received. However, a change has been made to the form, incorporating the option of identifying the borrower's address as a foreign address. The default in the drop down menu is set to the United States but may be adjusted as needed. This is the only change to the form and does not affect the anticipated number of responses or burden hours.

The Department is now requesting a 30-day notice be published in the Federal Register calling for public comment.

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

The Department provides no payment or gifts to 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.¹ 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. If no PII will be collected, state that no assurance of confidentiality is provided to respondents. If the Paperwork Burden Statement is not included physically on a form, you may include it here. Please ensure that your response per respondent matches the estimate provided in number 12.

¹ 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)

The Department will comply with the Privacy Act on the Perkins Loan applications for information collected through the Perkins Assignment Form. This information collection does not include a Privacy Act Notice to borrowers because borrowers are not providing this information to the Department but to their schools, which must comply with the Family Education Rights and Privacy Act (FERPA). When the Department receives this information further disclosure is restricted under our current systems of records notice, which identifies the third parties to whom the information may be disclosed and explains the circumstances under which such disclosures may occur. The information in this ICR is included in the Common Services for Borrowers SORN.

- 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 as described above in this collection package.

- 12. Provide estimates of the hour burden for this current information collection request. The statement should:**
- **Provide an explanation of how the burden was estimated, including identification of burden type: recordkeeping, reporting or third party disclosure. Address changes in burden due to the use of technology (if applicable). Generally, estimates should not include burden hours for customary and usual business practices.**
 - **Please do not include increases in burden and respondents numerically in this table. Explain these changes in number 15.**
 - **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. 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 this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burden in the table below.**
 - **Provide estimates of annualized cost to respondents of the hour burdens for collections of information, identifying and using appropriate wage rate categories. [Use this site](#) to research the appropriate wage rate. 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. If**

there is no cost to respondents, indicate by entering 0 in the chart below and/or provide a statement.

There was an understandable decrease in overall submissions from institutions during 2020 because of the pandemic. For this reason, the number of annual responses and burden hours is estimated based on 2019 submission usage versus 2020 submissions. The number of submissions reported here is based on the actual submissions of assignment forms to the Department.

The total number of Perkins loan assignment forms received by the Department in 2019 was 75,072. Of these there were 71,664 assignment forms accepted for processing by the Department. The estimated response time to complete the form in this submission is 0.5 hours (30 minutes).

Estimated Annual Burden and Respondent Costs Table

Information Activity or IC (with type of respondent)	Number of Respondents	Number of Responses	Average Burden Hours per Response	Total Annual Burden Hours	Estimated Respondent Average Hourly Wage	Total Annual Costs (hourly wage x total burden hours)
For-Profit Institution	62	8,257	0.5	4,129	\$46.87	\$193,526
Private Institution	238	26,276	0.5	13,138	\$46.87	\$615,778
Public Institution	307	40,539	0.5	20,270	\$46.87	\$950,055
Annualized Totals	607	75,072		37,537		\$1,759,359

The number of respondents has increased as expected by the Department. As noted above, the total number of Perkins loan assignment forms completed by schools was 75,072. As such, this is the number that ought to be used to calculate the number of burden hours versus using the number of assignment forms accepted because the respondents completed 75,072 submissions. Therefore, the number of responses and hours are calculated as 75,072 and 37,537 respectively.

Please ensure the annual total burden, respondents and response match those entered in IC Data Parts 1 and 2, and the response per respondent matches the Paperwork Burden Statement that must be included on all forms.

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 capital/startup costs to respondents, nor are there any annual costs to respondents associated with operating or maintaining systems.

- 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 total estimated annual cost to the Federal government this information collection is \$758,860.00.

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).

Provide a descriptive narrative for the reasons of any change in addition to completing the table with the burden hour change(s) here.

	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate
Total Burden		37,537	
Total Responses		75,072	
Total Costs (if applicable)		\$1,759,359	

The Department is requesting an extension of the current information collection. We are identifying an upward adjustment in the number of respondents (+50), in the number of assignment forms being filed (+37,129), and the hours associated with the assignment process (+18,565) based on the collection information available on use of the form and process for 2019. There have been no changes to the regulations. The burden change is an adjustment based on a re-estimation of usage of the form.

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 results of this information collection 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.

There are no exceptions to the certification statement.