##### April 26,2023

##### TO: Office of Information and Regulatory Affairs

##### Office of Management and Budget

THROUGH: Strategic Collections and Clearance

Governance and Strategy Division

Office of Chief Data Officer

Office of Planning, Evaluation and Policy Development

U.S. Department of Education

FROM: Melanie E. Storey, Director

Policy Implementation and Oversight

Federal Student Aid

U.S. Department of Education

RE: Request for emergency clearance by May 15, 2023 for the collection (1845-0110) associated with the Application and Employment Certification for Public Service Loan Forgiveness.

Pursuant to the Office of Management and Budget (OMB) procedures established at 5 C.F.R. part 1320, the U.S. Department of Education (Department) requests that the information collection 1845-0110, Application and Employment Certification for Public Service Loan Forgiveness form, be processed in accordance with 5 C.F.R. § 1320.13 Emergency Processing. We are also requesting that the full clearance package be filed at the same time and note that the Department will initiate the 60-day public comment period upon notification of emergency approval.

On November 1, 2022 the U.S. Department of Education published a Final Rule (Vol. 87, No. 210, 65904) that finalized regulatory changes which occurred from the Negotiated Rulemaking sessions that took place in October, November, and December 2021. Under the Master Calendar, these final regulations take effect July 1, 2023.

The final rule includes revisions to the regulations for the Public Service Loan Forgiveness (PSLF) program (34 CFR 685.219). The revisions include improvements to the application process, expanding what counted as an eligible monthly payment, expanding the definition of “full-time” employment, and providing additional clarifying definitions of public service employment to reduce confusion and to clearly establish the definitions of qualifying employment for borrowers. The final rule also expanded the definition of “employee” or “employed” to include someone who works as a contracted employee for a qualifying employer in a position or provides services which, under applicable State law, cannot be filled or provided by a direct employee of the qualifying employer.

In addition to the PSLF changes, the Final Rule included substantial changes to several other federal student aid programs that required the Department to holistically assess the implementation impacts and system change requirements necessary to implement the new regulations. Developing the system requirements across multiple systems must be done in lockstep with the development of forms to support the changes.

At the time of the Final Rule’s publication, the Paperwork Reduction Act of 1995 (PRA) section indicated that the regulatory changes would require updates to the current PSLF Form, which is cleared through Information Collection Request (ICR) 1845-0110. The PRA indicated that a full public clearance opportunity would be made for the updated form, allowing the public a full 60 and 30 day comment periods to review and provide comments on the changes to the form.

If the Department were required to put the collection through the normal clearance process, we would be unable to implement the required regulatory changes by July 1, 2023 resulting in several months of delays in providing eligible borrowers financial relief and not meeting the requirements of the Master Calendar. Any delay in discharging loans for eligible borrowers would increase the potential for public harm through delayed financial relief to borrowers who have been employed in public service and the possibility of additional interest accrual and an increase in overall debt by affected borrowers being unable to receive the relief that is allowed to them under the new regulations, causing them further financial harm. As a result, in order to meet the July 1, 2023 implementation requirement, the Department is requesting that OMB approve the collection associated with the implementation of the PSLF form process using the emergency clearance procedures.