

**SUPPORTING STATEMENT  
FOR PAPERWORK REDUCTION ACT SUBMISSION**

Health Education Assistance Loan (HEAL) Program Regulations

- 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.**

This is a request for an reinstatement of OMB approval of information collection requirements associated with the Health Education Assistance Loan (HEAL) Program regulations for reporting, recordkeeping and notifications, currently approved under OMB No. 1845-0125. There has been no change to the regulatory language.

Authorization to fund new HEAL loans to students expired September 30, 1998. Section 525 of the Consolidated Appropriations Act of 2014 transferred the collection of the HEAL program loans from the U.S. Department of Health and Human Services (HHS) to the U.S. Department of Education (Department). To fulfill this mandate, the Department requested and received the transfer of the OMB approved information collections from HHS to the Department. This was completed in June 2014.

The HEAL regulations were added to 34 CFR 681 on November 15, 2017, when limited technical changes were made to the regulations. The references to the making of HEAL loans were removed to streamline the regulations and avoid confusion, where possible. However, in many places the provisions about the making of HEAL loans were retained, even though there is no authority to make new HEAL loans, because those provisions may continue to form the basis of a claim by a lender, holder, borrower, or the Secretary in relation to an outstanding HEAL loan. A complete copy of the Federal Register, Vol. 82, No. 219, pages 53374-53395 is available at this [link](#).

- 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 regulations require that HEAL schools and HEAL lenders maintain certain information about each borrower, such as the borrower's credit history and financial aid transcript(s), to demonstrate that attempts are made to identify those applicants who are likely to default on the HEAL loan and demonstrate due diligence by school and lenders in the loan making process. Records of entrance and exit interviews are maintained to document that each borrower was informed of his or her rights and responsibilities under the HEAL loan program. Standard budgets and need analyses are maintained to document that HEAL loan funds were actually needed to pay educational

expenses, as required by statute. Lenders or holders must document all skip tracing activities and submit them to the Secretary when requesting pre-claim assistance. Additionally, each lender or holder must submit a number of documents and other information each time it submits a default, death or disability claim or if the borrower files for bankruptcy. Any lenders or schools who have information which indicate potential or actual commission of fraud or other Federal offenses, involving these funds, must promptly provide this information to the appropriate Regional Office of the Inspector General for Investigations.

Authority to make new loans to student borrowers expired September 30, 1998 and authority to refinance loans expired September 30, 2004.

- 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.**

All reporting requirements from lenders to the HEAL program are performed electronically and all information requests that the HEAL program completes for lenders are returned on electronic media, so that reporting processes can be conducted accurately and efficiently.

- 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 requirements will not result in duplication this information is not available elsewhere.

- 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.**

There are no small businesses involved.

**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 these collections were required less frequently borrowers might receive inaccurate or inappropriate notices from the Secretary, borrowers would be less likely to understand their responsibilities and lenders and holders may not diligently pursue collection efforts.

**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 HEAL statute allows for a repayment period of up to 33 years from the date the loan was made. As a result, borrower records and repayment records that are a part of the loan collection process must be retained for the appropriate repayment period. This is consistent with the guidelines under 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.**

**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.**

On 08/06/2025 a Federal Register was published (Vol. 90, No.149, page 37848) inviting public comment on this information collection. No comments were received. This is the request for the 30-day public comment period.

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

No payments or gifts will be provided 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.<sup>1</sup> 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.**

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<sup>1</sup> 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)

This activity does not require additional information from individuals, although the initial loan application forms (cleared under separate OMB numbers) do request individual information. For the original forms, the Privacy Act of 1974 (5 USC 522a) requires an agency to provide a notification to individuals who supply information. The required Privacy Act notification is provided to HEAL borrowers on the original forms (approved under OMB Numbers 0915-0034, 0915-0036, and 0915-0043). Disclosure of the applicant's Social Security Number (SSN) is mandatory for participation in the HEAL program, as provided for by Section 4 of the Debt Collection Act of 1982 (26 USC 6103 note), and the borrower is advised of this requirement. Access to these records is strictly limited to authorized users who are aware of their responsibilities under the Privacy Act and who are required to maintain Privacy Act safeguards with respect to such records. A system of records was established and is maintained for the HEAL program (system number 18-11-20).

- 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 HEAL regulations require that sensitive information (e.g., borrower's SSN) be submitted. Authority for the SSN request is contained in Section 4 of the Debt Collection Act of 1982 (26 USC 6103 note). Additionally, information concerning a student's financial obligations and level of indebtedness is required for the purpose of program administration.

- 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.**

The following is a summary of the proposed reporting, notification, and recordkeeping burden associated with the information collection in this supporting statement. The estimate for this information collection’s annual burden is based on 9 HEAL holders in the program as of June 2025; and an estimated current cumulative total of 5,790 individuals with outstanding loans requiring a variety of servicing transactions depending on loan status, i.e., internship/residency repayment, or delinquent.

**REPORTING REQUIREMENTS**

<u>Entity</u>	<u>Respondent</u>	<u>Responses</u>	<u>Annual Burden Hours</u>
State Agencies	9	36 x .20 hours	7.2 hours

**NOTIFICATION REQUIREMENTS**

<u>Entity</u>	<u>Respondent</u>	<u>Responses</u>	<u>Annual Burden Hours</u>
State Agencies	*	58,500 x .17 hours	9,945 hours
Individuals	5,790	5,790 x .17 hours	984 hours

**RECORDKEEPING REQUIREMENTS**

<u>Entity</u>	<u>Respondent</u>	<u>Responses</u>	<u>Annual Burden Hours</u>
State Agencies	*	23,400 x .23 hours	5,382 hours

(The \* represents the universe of 9 State agencies participating in the program and is done to avoid double counting the number of respondents.)

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## 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)
Individual	5,790	5,790	See above	984	\$23.80	\$23,419
State Agencies	9	81,936	See above	15,334	\$49.98	\$766,403
Annualized Totals	5,799	87,726		16,318		\$789,822

For individuals we have used the median hourly wage for all occupations, \$23.80 per hour according to BLS. [https://www.bls.gov/oes/current/oes\\_nat.htm#00-0000](https://www.bls.gov/oes/current/oes_nat.htm#00-0000) .

For state agencies we have used the median hourly wage for Education Administrators, Postsecondary, \$49.98 per hour according to BLS. <https://www.bls.gov/oes/current/oes119033.htm> .

*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 and start-up costs to the respondents. All equipment and software are maintained by the lenders for their normal business practice.

- 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.**

There is no additional cost to the Federal government as a result of these regulations.

- 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.**

	<b>Program Change Due to New Statute</b>	<b>Program Change Due to Agency Discretion</b>	<b>Change Due to Adjustment in Agency Estimate</b>
<b>Total Burden</b>			-7,802
<b>Total Responses</b>			-42,219
<b>Total Costs (if applicable)</b>			

There is no change to the regulations or requirements. As of June 2025 there are 9 HEAL holders and 5,790. This is 4 HEAL holders and 4,803 individual borrowers less than the estimates used to calculate the burden for the previously approved collection. Because of this, our estimate of burden hours and total responses are now 7,802 and 42,219 lower, respectively, than the previously approved collection from 2022.

- 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.**

There will be no statistical analysis of data or publication of information resulting from this effort.

- 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.**

No exemption is requested.

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

This fully complies with the guidelines set forth in 5 CFR 1320.9. The certifications are included in the package.