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UNITED STATES DEPARTMENT OF EDUCATION



STUDENT FINANCIAL ASSISTANCE REGULATORY REVIEW

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**STUDENT FINANCIAL ASSISTANCE REGULATORY REVIEW:
A REPORT TO
THE COMMITTEE ON LABOR AND HUMAN RESOURCES
OF THE U.S. SENATE AND
THE COMMITTEE ON EDUCATION AND THE WORKFORCE
OF THE U.S. HOUSE OF REPRESENTATIVES**

I. INTRODUCTION

Section 498B of the Higher Education Act of 1965, as amended (HEA), requires that the Department of Education (Department) review its regulations in consultation with participants in the student financial assistance programs and to consider regulatory improvements.¹ This requirement is consistent with the Department's own efforts to work with the higher education community to enhance the student financial assistance programs. In the past several years, the Department has continuously worked with students, parents, schools, taxpayers, financial institutions, states, accrediting agencies, and the U.S. Congress to build a cooperative regulatory environment that emphasizes effectiveness and responsibility.

This report will describe some of the Department's prior efforts to work with the higher education community to improve the regulatory environment. These successes provide the background from which the Department has implemented the most recent Congressional requirement to consult with the higher education community and to consider regulatory reform. In this report, we identify steps taken as part of the current effort and the suggestions that we heard while talking to representatives of the higher education community at several listening sessions about regulatory reform. This is not, however, the end of the process. The report identifies the continuing efforts the Department will take to review and improve its regulations, including this year's round of negotiated rulemaking. We also set forth our plans to continue to work with the community to identify how our regulations can be improved to reflect new opportunities created by technology, a changing postsecondary education landscape, and the modernization of the Department's student aid systems. This effort must include a thoughtful consideration of how postsecondary education and

¹ Section 498B was added to the HEA by Section 495 of the Higher Education Amendments of 1998. The text of Section 498B is attached as Appendix A.

student aid have changed, how they will continue to change over the next several years, and how our regulations can therefore be revised or improved.

II. RECENT HISTORY OF REGULATORY IMPROVEMENT

In the last several years, demand for student financial assistance has skyrocketed, the Federal Direct Loan Program has been more fully implemented, and technology has changed the student financial assistance landscape. In light of these developments, the Department of Education has been sensitive to the need to simplify the student aid regulations, allow for more flexibility in administering the student aid programs, and reduce burden on all student aid participants, while simultaneously protecting the interests of students and taxpayers. This effort is an ongoing process, but it is important to note that the Department has succeeded in implementing many regulatory reforms in recent years. Since these recent accomplishments form the basis on which the current regulatory effort will build, it is useful to look at the impact of these successes.

A. NEGOTIATED RULEMAKING

In January 1999, the Department began negotiating regulations with its customers and partners to implement the Higher Education Amendments of 1998. The negotiations were very successful. The Department and the higher education community reached consensus on all issues before the four negotiating committees, with the exception of one issue in each of two committees. We believe that the rigor of the negotiations, involving dozens of representatives from the higher education community, resulted in well-reasoned regulations.

As stated in a letter to Acting Deputy Secretary Marshall Smith from Stanley Ikenberry, President of the American Council on Education:

[We] wish to congratulate the Department on the success of the [negotiated rulemaking] effort. All who participated in the negotiations agree that the Department succeeded in achieving an extraordinary degree of collaboration and concurrence with the non-Federal negotiators.

This sentiment was echoed in remarks by Dallas Martin, President of the National Association of Student Financial Aid Administrators:

We, too, commend the Department on how it conducted the most recent series of Title IV negotiated rulemaking sessions. . . . [P]articipants I have spoken to indicated that the negotiations were conducted in an atmosphere that fostered trust, respect for differences, and a willingness to reach accommodation and consensus.

Because of the large number of changes to the HEA as the result of reauthorization, the Department, in consultation with the higher education community, established four separate negotiating committees. The committees addressed issues in the following categories:

- Guarantor and lender issues;
- Loan issues;
- Program and student eligibility issues; and
- Institutional eligibility issues.

In addition to negotiating the regulations required to implement the 1998 amendments, the Department engaged the higher education community in negotiated rulemaking in two additional areas: reworking all of the accreditation regulations and revising certain aspects of the Federal Family Education Loan (FFEL) program.

- **Accreditation** – The regulations that govern the Secretary's recognition of accrediting agencies were completely rewritten to achieve greater clarity and simplicity. Based on comments from the negotiators and the response to the June 25, 1999, Notice of Proposed Rulemaking, these changes have been very well received.
- The new regulations avoid the use of frequently misunderstood terms such as "valid" and "reliable" in the criteria for the recognition of accrediting agencies. Instead, the new regulations use standards that are easy to understand and apply. An accrediting agency must now ensure that its program of review (1) is comprehensive, (2) occurs at

regular intervals or on an ongoing basis, (3) examines each accrediting standard, (4) involves all of the relevant stakeholders in the review, and (5) affords those stakeholders a meaningful opportunity to provide input into the review. Agencies must demonstrate through their programs of review that their accrediting standards are adequate to evaluate the quality of education provided and relevant to the needs of students.

- The new regulations also tie regulatory requirements to risk. For example, instead of requiring accrediting agencies to make site visits to every new campus, the regulations establish clear, specific parameters that allow for selective visits, based on potential risks.
- The new regulations eliminate needless burden for agencies that are simply seeking renewal of recognition previously granted by dispensing with the requirement that they demonstrate accrediting experience.
- **Federal Family Education Loan Program** – The negotiating committees also formulated other regulatory improvements that were not required as a result of the HEA amendments, but reduced the burdens on all program participants. Enhancements agreed to by the negotiating committee and implemented by the Department in final regulations include the following:
 - Prior to the new regulations, a borrower who realized that he or she did not need the first disbursement of a loan was required to reapply later in the year to obtain subsequent disbursements. Under the new regulations, future disbursements can be made even if the student decides not to take the first disbursement.
 - The new regulations reduce the length of time a lender must retain required loan records for loans paid in full by the borrower from five years to three years. This change is consistent with the document retention periods for institutions under the General Education Provisions Act.

B. OTHER REGULATORY IMPROVEMENTS

In addition to negotiated rulemaking, the Department has worked with the higher education community throughout the last several years to improve the regulatory environment. We have asked our customers and partners what can be improved, and we have provided them with opportunities to try new and improved approaches.

- **Customer Service Task Force** – Throughout 1999, the Office of Student Financial Assistance (OSFA) asked our partners and customers how to improve student financial assistance. OSFA's Customer Service Task Force conducted over 200 face-to-face listening sessions around the country, collecting nearly 8,000 ideas about what works well and what doesn't. In the area of student aid regulations, a central theme emerged: concentrate more on results and less on specific procedures. Most of the rule changes requested require the participation of all stakeholders and a new round of negotiated rulemaking. The Department has begun its review of the regulatory revisions suggested by our customers, partners, and employees, and will complete this review in connection with the 2000 negotiated rulemaking process and the broader regulatory review effort detailed below.
- **Quality Assurance Program** – The Quality Assurance Program was designed by the Department to help schools improve the management and delivery of student financial assistance and provide better service to students. The program encourages schools to develop creative and more efficient approaches to administering the student aid program without the constraints of certain process-oriented regulatory requirements. Success is defined by measurable results (e.g., award accuracy) and continuous improvement. Schools gain flexibility to manage, but maintain, and even increase, accountability. Almost 150 schools participated in the program in the 1998-99 academic year.
- **Experimental Sites** – The Experimental Sites Initiative began as an effort by Congress and the Department to provide statutory and regulatory relief for institutions to test innovative ways of administering student financial aid and to provide data to support broader policy initiatives. For academic year 1997-98, 164 institutions were approved to participate in one or more of 13 experiments. In all cases, institutions agreed to conduct an experiment, involving a different method of

administration and report to the Department the effects of the experiment. The experiments have provided two major benefits: better service to students and reduced administrative burden for institutions. Institutions most frequently reported administrative relief in the form of less time and fewer staff involved in the administration of student financial assistance. A report of the experimental sites was prepared and submitted to the Congress in March, 1999.

III. REGULATORY REVIEW ACTIVITIES

In carrying out the regulatory review process described in Section 498B of the HEA, the Department has consulted with students, schools, lenders, guaranty agencies, and other program participants.

- **Web Site** – First, the Department established a regulatory review Web site.² Through a *Federal Register* notice, postings on the Department’s Information for Financial Aid Professionals (IFAP) Web site, Finaid-L and other related e-mail lists, and direct contact with the organizations involved in the recent round of negotiated rulemaking, we invited interested parties to visit the regulatory review Web site to find out about the regulatory review effort, to monitor the progress of the effort and to provide comments to the Department through our electronic mail address at ODS_regs@ed.gov. On the Web site, as suggested in Section 498B of the HEA, we asked the community for input related to the following questions:
 1. Are there any regulations that are duplicative or no longer necessary?
 2. Are there any regulations that are not being interpreted and applied uniformly?
 3. Are unnecessary burdens being placed on schools through the eligibility and compliance process? For example, is there a need to consider eligibility and compliance issues simultaneously?

² The regulatory review web site is located at www.ed.gov/offices/ODS/regreview.

4. Are unnecessary costs imposed on institutions of higher education by regulations that were designed to apply primarily to industrial and commercial enterprises?
 5. Are there any regulations affecting public and private colleges and universities and proprietary schools that receive less than \$200,000 in Title IV funds each year that could have been improved, streamlined, or eliminated?
- **Listening Sessions** – Next, we conducted seven listening sessions in Washington, D.C., Atlanta, Chicago, and San Francisco so we could hear directly from our customers and partners.³ Four half-day sessions were held on September 13 and 14, 1999, in Washington, D.C. Each session focused on one of the four topic areas addressed by the four negotiated rulemaking committees:
 - Guarantor and lender issues;
 - Loan issues;
 - Program and student eligibility issues; and
 - Institutional eligibility issues.

In addition, we held three regional sessions in Atlanta on September 17, in Chicago on September 24, and in San Francisco on September 27, 1999.

While we continued to pose the questions mentioned by the HEA amendments, we opened up the sessions for a broader discussion to include other issues important to our customers and partners. We also wanted to hear about how technology has changed and will continue to change the delivery of student financial assistance. Finally, we posed the question: how broad should this regulatory review be?

At the listening sessions, we learned that our stakeholders were pleased with the successes of the past but, like the Department, wanted to build on the successes to create the best regulatory environment possible. Each

³ For a complete discussion of the intent of and process for the listening sessions, see the Department's *Federal Register* notice announcing the sessions, which is attached as Appendix B.

session was marked by a dialogue with the participants in which the Department posed questions and asked for elaboration, but allowed the participants to set the agenda and direct the conversation. Many interesting ideas were generated at the listening sessions. This report provides an opportunity to disseminate these ideas from the listening sessions to a larger audience for comment and consideration.

IV. ISSUES AND IDEAS FROM THE REGULATORY REVIEW EFFORT

Numerous suggestions for regulatory reform were made during the course of the Department's meetings with our customers and partners. Some suggestions included specific regulatory changes to address rather specific concerns; other suggestions focused on broad regulatory themes; and still others focused on the process that we should implement to further the effort of regulatory reform.⁴

During the listening sessions, we heard from the higher education community that negotiated rulemaking and the attendant responsibilities had precluded them from taking the time necessary to address all of the specific proposals for this regulatory reform process. Indeed, the community representatives asked the Department not to make specific recommendations for regulatory reform until both the Department and the higher education community could undertake a more complete and thoughtful review of the regulations. Based upon that request and the workload constraints created by regulatory negotiations, resulting in the Notices of Proposed Rulemaking and final regulations that were published in the Fall of last year, the Department intends to continue working with our stakeholders to develop specific regulatory and statutory recommendations.

We have identified some regulatory issues that are important to everyone in the community and that are simple enough to address quickly. These issues are part of the next round of negotiated rulemaking, which is now underway. The issues were selected based upon three basic criteria:

⁴ Many suggestions at the listening sessions were not regulatory in nature. Instead, many of the suggestions focused on operational changes. The Department will review these comments carefully. However, operational suggestions are beyond the scope of this report.

- Did the higher education community (including the Department) identify the regulatory change as important for the continued smooth operation of the student financial assistance programs?
- Is the issue capable of being resolved within the four month window of time provided for negotiated rulemaking?
- Would another form of dialogue -- not burdened by negotiations posturing -- provide a better initial forum to develop possible alternatives?

A proposed agenda of issues for the next round of negotiated rulemaking was published in the *Federal Register* on December 30, 1999. (A copy of the notice is attached as Appendix C).

In addition to the issues to be addressed through negotiated rulemaking, we received numerous comments and suggestions from the community. We have attempted to lay out in this report some of the themes that emerged from these sessions.

A. TECHNOLOGICAL ADVANCES

The largest number of suggestions appeared to revolve around issues of technology and its use in the delivery of student financial assistance. Indeed, several participants suggested that recent and rapid changes in information technology require an extensive review of the Department's regulatory provisions. Suggestions that grow out of changing technology are varied and range from issues such as distance learning via the Web to student access to data on the National Student Loan Data System (NSLDS).

- **Distance Education** – A fundamental change that is occurring as a result of the Internet is the increasing use of distance education. In this area, several participants believe that the standards for measuring academic progress and the length of a “standard term” must be revised. According to these participants, the current definitions and standards are based upon traditional classroom instruction, but do not take into account the way that instruction is now being provided and how it will change in the next several years. As a result, several participants believe the Department

needs to revise the regulatory standards and definitions. The purpose of the Distance Education Demonstration Program, authorized by Congress in the 1998 Higher Education Amendments, is to test the quality and viability of expanded distance education programs and to determine what revisions to the statute and regulations would allow distance education students to receive student financial assistance. The 15 schools, consortia, and systems participating in the Program were selected last Spring; the Program was implemented on July 1, 1999.

- **Consortium and Contractual Agreements** – As technology has advanced and the desire for foreign study has increased, the use of consortia and contractual agreements have become more common. Institutions recognize that they can now provide services for each other or as a group in new ways. Several institutions have suggested that the regulations related to consortium and contractual agreements should be reviewed in light of the more frequent use of these tools.
- **Cash Management** – Several participants raised the issue of the Department's interest in refining the cash management provisions. These provisions govern the timing of Title IV fund disbursements. The Department is exploring the use of electronic cash transfers that would permit "just-in-time" delivery of funds to students and schools. This would reduce the interest cost to the Federal government for the time period in which the funds are disbursed earlier than necessary. Some participants believed that the Department should set some time tolerances for this process, and others advocated establishing a procedure for corrections so that an institution's mistakes could be corrected and liabilities could be avoided. Some participants believed that large institutions could avoid liabilities by disbursing their own funds and making corrections before seeking reimbursement from the Title IV programs, but small schools could not afford such a safeguard. This approach will require further discussion.
- **Student Accounts** – There were also suggestions to provide some administrative relief to schools by relying on the Department's National Student Loan Data System (NSLDS) to provide information directly to students over the Web. The Department is already pursuing efforts to make information available to students through NSLDS and Access America for Students. As the Department considers technological advances that will allow students to access this data, we will also

consider institutional reporting requirements and changes that might be appropriate given student access to data. Some schools believe that recent innovations in information technology could reduce or eliminate some administrative procedures that are now required by regulation. We will continue to work with our customers and partners to explore these possibilities.

- **Electronic Signatures** – An issue frequently raised at the listening sessions by both Title IV participants and the Department is the use of electronic signatures to conduct student financial assistance transactions. Everyone agreed that care must be taken in this area to proceed at a pace that will protect students and other program participants from both security and privacy standpoints. Nonetheless, many people noted that student financial assistance transactions will increasingly be conducted through electronic means, such as the use of PIN numbers or any other number of new technologies that are now available or being developed. Participants and the Department are excited about the advantages that electronic transactions will bring, but want to make sure that they are pursued in a responsible fashion that protects students.
- **Automated Cohort Default Rate Appeals** – In the past, some schools have complained that the cohort default rate appeals process requires too much staff time because of the burden of wading through page after page of student information. The Department has already begun developing an automated cohort default rate appeal system to relieve the schools of manual processing. The regulatory review process may provide an opportunity to consider some key issues related to this move toward automated appeal submissions and processing. First, what role will our partners, the guaranty agencies, play in the automated process? Since much of the cohort default rate data is provided to the Department by or through the guaranty agencies, they will be critical in this process. Second, how can institutions be encouraged to take advantage of this cost-saving approach?
- **Exit Counseling** – As part of the recent negotiated rulemaking, the Department set parameters for the use of electronic exit counseling. Schools, lenders, and guarantors wanted to take advantage of electronic media to provide this service to students faster, cheaper, and, hopefully, more effectively. Some participants have now suggested that exit counseling be enhanced even further through the use of electronic

information. Currently, as part of exit counseling, schools must provide information related to the average indebtedness and monthly payments of its former students. Given the improved access to data created by technological advancements, some participants would like schools to include actual indebtedness and monthly payment figures for students so that the student receives information that applies specifically to that individual. The Department's regulations were revised in 1999 to permit institutions to provide actual or average indebtedness information.

B. OTHER CHANGES

In addition to technology, other aspects of student financial assistance have changed recently. Some program participants would like the regulatory review process to consider the impact these changes have had on the Title IV programs and what regulatory changes might be necessary to deal with these changes.

- **Alternative Loans** – Many participants expressed concerns that the financial lending community is more aggressively marketing alternative loans for financing higher education than ever before. These alternative loans are standard commercial loans that lack the benefits and protections of other sources of financial assistance, like grants, direct loans or guaranteed student loans. Schools often are uncertain about how to package the alternative loans as part of students' total financial assistance. More importantly, schools are concerned that students may be overlooking other more beneficial forms of financial assistance. Some participants have suggested that this regulatory review effort should consider how these loans fit into student financial assistance and what standards and processes should be used for these loans.
- **Incentive Compensation** – To avoid inappropriate marketing of educational opportunities to students, the HEA prohibits the use of commissioned sales representatives in the financial aid process. Now that more and more proprietary institutions are becoming publicly traded companies, those schools believe that the issue of executive compensation for financial aid officers who may receive stock bonuses must be addressed. Any regulatory change must ensure that institutions enroll only students that have an ability to benefit from the program and

that students are provided accurate and unbiased information regarding the program including costs, benefits, and financial aid alternatives.

- **Master Promissory Note** – A Master Promissory Note (MPN) has been developed by the Department in close consultation with the higher education community. The regulations developed during the last round of negotiated rulemaking set the parameters for the use of this new tool. However, two issues remain for further consideration.

First, criteria must be developed to enable additional students to use the multi-year feature of the MPN. The multi-year feature allows borrowers to obtain more than one loan using the same promissory note. Currently only borrowers at four-year and graduate/professional schools may use the multi-year feature. As the Department and program participants gain experience using the multi-year feature of the master promissory note, it is our intention to establish and announce criteria and a process that we will use to approve additional schools.

Second, the confirmation process for loans made under a single master promissory note requires further consideration. With respect to the confirmation process, it is the Secretary's goal to maintain and enhance a borrower's control over the lending process in the MPN environment. To achieve this goal, it is our intention to work with students, schools, lenders, guaranty agencies, and other interested parties to develop and implement confirmation processes that make use of the best available technology in order to maintain and enhance borrower control over the lending process, at the same time minimizing burden to schools and lenders.

C. REGULATORY FLEXIBILITY

A number of participants favored more flexible regulations. Many expressed frustration that the same regulations and reporting requirements were required for all participants regardless of their past performance and experience in administering student aid programs. The suggestions related to both the Department's overall regulatory approach and specific regulatory provisions that participants believe should be considered for additional flexibility.

While there was significant interest in granting more administrative discretion to schools, lenders and guaranty agencies, a number of participants also recognized the need for imposing limits on such discretion, and to providing more discretion to participants whose past performance supported such discretion and less, or no discretion, to those whose past performance did not merit discretion. One participant expressed an interest in finding a "middle ground" between the need for specific guidance on each and every issue and allowing total discretion.

These issues must be addressed in more detail as this regulatory review progresses over the next year. Although many of these suggestions could potentially reduce the cost and burden for some of the participants that administer the Title IV programs, each proposal must also be evaluated in terms of additional costs to students, costs to our partners – schools, lenders, states, accrediting agencies, and guaranty agencies – and to the Federal government and the taxpayers.

1. General Regulatory Approaches

Because experience shows us that most of the Title IV participants generally play by the rules, in dealing with this majority who want to do the right thing, the Department will explore expanding partnerships like the Quality Assurance Program and the Experimental Sites Initiative to provide opportunities for a more flexible regulatory approach while maintaining accountability. Because fraud will always remain a possibility, however, our regulatory approach will still reserve every penalty that the law provides. Indeed, because the time and effort of the Department's enforcement staff will no longer be wasted on those who want to comply, we can focus even more attention on those who do not.

- **Performance-Based Differentiated Regulations** – The use of performance-based regulations – differentiated regulations based upon past performance in administering programs – was suggested as an alternative to the current regulatory approach of one size fits all. This alternative, which relies heavily on past performance and economic incentives instead of the traditional regulatory approach, had an appeal to some participants, but others believed that implementing specific, verifiable standards would be difficult. It is likely, however, that broad regulatory reform will be difficult to achieve without a differentiated approach since the Department must ensure that students’ and taxpayers’ dollars are well protected.
- **Regulations Focused on Improvement** – Some participants suggested that the Department’s regulatory approach should focus on improvement at schools rather than specific standards. This approach, however, does not appear to address the issue of equal treatment for students. This is a critical issue that would need to be fully reviewed before an approach like this could be pursued.
- **General Regulatory Restructuring** – Some participants asked that the Department completely restructure its student financial assistance regulations. The participants argued that the regulations have been developed piecemeal over the years and now do not represent a coherent set of regulations. The Department is concerned that we develop coherent and easily understood regulations as part of this process. However, any restructuring presumably should also address fundamental questions like: how will student financial assistance change over the next several years; what increasing role will technology play; and how will the delivery of postsecondary education evolve?

2. **Flexibility for Specific Regulatory Issues**

During the course of our listening sessions, we heard about numerous areas in which participants would like more flexibility. A few examples of the suggestions that generally sought more discretion and fewer documentation requirements include:

- **Due Diligence in Servicing Loans** – Several guarantors and lenders suggested that the Department reduce the specific requirements for contacting borrowers and permit the use of sampling techniques or the

use of risk models that call for intensive collection measures for some borrowers and fewer contacts for borrowers that are more likely to repay their loans. The guaranty agencies and lenders said that similar approaches are now widely used for collection of other types of consumer debt. Some believe that greater contact with all borrowers may be appropriate in student lending, however, because the borrowers are often novices in the world of consumer debt. Some suggested that participants assume additional economic risks in exchange for greater discretion in administering the Title IV programs. Any approach that gives participants more administrative flexibility must also ensure that all student borrowers receive sufficient information to allow them to avoid the substantial adverse impacts of default.

- **Reduce Documentation Requirements for Deferments** – Some participants requested the authority to grant deferments based upon written notations of telephone requests from borrowers instead of requiring student signatures to reduce administrative burdens and loan defaults. Other participants expressed concerns that notes of a telephone conversation may not provide an objective record of the conversation. Additionally, or in the alternative, some participants suggested that deferment renewals should not require the same level of documentation.
- **More Flexibility in Granting Forbearances and Deferments** – Some participants suggested reducing restrictions on granting administrative forbearances and allowing more flexibility in determining deferment start dates. In short, participants were requesting more discretion, particularly for economic hardship deferments, which they currently find complex. Deferments represent a cost, however, so any change in this area must still protect Federal funds from misuse.

D. OVERHAUL OLD REGULATORY PROVISIONS THAT NEED TO BE CLARIFIED

- **Cohort Default Rates** – Several participants recommended that the regulatory provisions for cohort default rates be reworked. Over time, these provisions have been amended in increments in order to address various issues, but there is now a need to develop a more comprehensive and integrated set of regulations that will be easier to follow and apply. The Department would also like to significantly revise or remove

Appendix D to the cohort default rate regulations. Appendix D provides standards for a minimally acceptable cohort default rate plan. The appendix, however, is now in need of revisions to provide the most up-to-date elements of successful cohort default rate plans.

- **Perkins End of Participation** – The Department’s regulations set forth several requirements for a school to follow when it ceases to participate in the Perkins Loan Program. See 34 C.F.R. § 674.17. Several participants expressed a desire to revise and clarify this regulation.

E. UNIFORM INTERPRETATION AND ENFORCEMENT OF REGULATIONS

Some participants believe that regulatory interpretations by the Department are not always applied consistently across every region of the country and suggested that internal communications within the Department could be improved. The Department has, in the last several years, created case teams to manage its oversight functions. The team approach is one step toward more uniform application of the regulations. Other suggestions at the listening sessions included:

- **Coordinated Reviews** – Currently several different entities are responsible for various oversight issues including the Department, guaranty agencies, states, and accrediting agencies. Some participants suggested that the Department increase its efforts to coordinate the work of these various oversight entities. In particular some participants suggested that multiple on site reviews by the different oversight bodies should be avoided.
- **Joint Training** – Some participants thought that training for staff of the oversight entities should be conducted jointly, arguing that joint training would lead to more uniform application of regulations. The Department and others also suggested consideration of joint training by the guaranty agencies and the Department for the schools.
- **Policy Advice** – Another participant suggested that a more formal process for regulatory interpretations should be implemented, such as the procedure for private letter rulings used by the Internal Revenue Service.

F. NEW REGULATORY PROVISIONS

The 1998 HEA Amendments provided for the forgiveness of student loan debt after five years of teaching in certain underserved areas. With the advent of this new opportunity, many participants have requested regulations to define certain aspects of the program and how it will be implemented. This issue was on the agenda of one of the negotiating committees during the last round of negotiated rulemaking, but the committee removed this item when it became clear that other priorities would consume the committee's time. This issue is on the agenda for the current round of negotiated rulemaking.

G. MISCELLANEOUS REGULATORY PROVISIONS

1. **Default Prevention** – Default prevention is a high priority for the Department and participants in the student loan programs. During the last decade, the Department has succeeded in significantly reducing the cohort default rate. Several participants suggested that an effort should be made to make even more progress toward reducing defaults, including the following:
 - To encourage the repayment of defaulted loans, consider paid-in-full loans as rehabilitated.
 - Provide deferments at the loan level rather than at the borrower level so that an individual holder can counsel a borrower on how to protect loans from default.
 - Borrowers become eligible for deferments on certain dates (e.g. entry into military service). Often, however, the borrower is not aware of the right to a deferment and does not seek the deferment until after the loan has already gone into default. Some participants suggested that lenders should be able to set the deferment “begin date” on the date that the borrower became eligible regardless of when the borrower requests the deferment.

2. **Work-Study** – Currently, a student working as a reading tutor for preschool and elementary school children, who otherwise qualifies, can be paid in full from Federal funds through the Work-Study Program. A waiver of the ordinary 25% local match is also available for tutoring parents of preschool and elementary school children if the parent and child are enrolled in a family literacy program. Numerous schools argued that tutoring for readers of all ages should always qualify for a waiver of the traditional 25% local match. Any movement in this direction must account for the acute need for a heavy focus on reading problems for young children.

V. **CONCLUSION – FUTURE ACTION**

Moving forward, a two-pronged approach will allow us to meet the current need for regulatory improvement, as well as to address the desire for a more comprehensive review of our regulations. The current round of negotiated rulemaking is addressing those regulatory reforms that are most critical to our customers and partners, and that can be addressed relatively quickly. For those issues that require more in-depth analysis, we will initiate a dialogue with the higher education community to design a regulatory track to the 21st century.

A. **NEGOTIATED RULEMAKING 2000**

In accordance with the master calendar and negotiated rulemaking requirements, the Department convened two negotiated rulemaking committees early this year to deal with those issues that the community and the Department believe to be the highest priorities. The negotiated rulemaking environment will allow us to deal with this first set of issues in fairly short order and in consultation with our stakeholders.

The Department has distilled all of the issues that we heard at the listening sessions -- as well as issues identified by the Department and our customers and partners in other contexts – and has identified those issues appropriate for immediate negotiation. A proposed agenda of issues was published in the *Federal Register* on December 30, 1999. (A copy of the notice is attached as Appendix C).

These negotiated rulemaking committees have now been formed and the discussions are underway.

B. REGULATORY TRACK TO THE 21ST CENTURY

Negotiated rulemaking in 2000 is only part of our effort to improve our regulations. We will also continue our discussions with customers and partners to review our regulations in a comprehensive fashion, with an eye toward developing regulations that will support the delivery of student financial aid in the 21st century.

During the listening sessions we heard several recommendations regarding a process for conducting a comprehensive review of our regulations. The recommendations are varied, from work groups to studies and from focused reviews of particular regulatory sections to a complete review of all regulations. Each of the recommendations has some useful aspects, which we will attempt to integrate into our eventual process.

Part of this broader dialogue will include discussions regarding regulatory approach. Some members of the community have become accustomed to the current regulations and would like to keep the current regulatory structure, but would like to review each regulation within that structure to make sure it is the best approach. Others would like to consider more fundamental changes to the Department's regulatory approach. One regulatory approach that has received considerable attention lately is performance-based, or differentiated, regulation. A variation on this approach has also been suggested, whereby individual participants in the Title IV programs would establish approved plans and oversight actions would be based upon the individualized plan, not a generic set of regulations. This plan-based regulatory approach would constitute a fundamental shift in how the Department approaches its regulatory and oversight functions. Any regulatory changes must be administratively feasible and protect the interests of students and taxpayers from abuse.

The Department agrees that a more comprehensive review is valuable at this time. The Office of Student Financial Assistance (OSFA) has completed its First Year edition of the Modernization Blueprint. The Blueprint spells out in great detail the steps that OSFA will be taking over the next three years to modernize and integrate its systems. Implementation of the Modernization Blueprint will result in improvements and changes to the way student financial assistance is delivered. As these technological and related business

process changes occur, it is appropriate to review and modify our regulations to stay one step ahead of technology. We cannot allow improvements in the delivery of student financial assistance to be delayed while the regulatory structure plays catch up.

Regardless of the regulatory reform approach that is ultimately chosen, the review must address the following questions:

1. How have postsecondary education and student aid changed over the past decade and how will they change over the next one?
2. How will OSFA modernization and other technological advances change student aid over the next several years?
3. How should the Title IV regulations be revised or improved to account for these changes?

The Department will continue its discussions with our customers and partners, and all other interested parties, to develop a specific structure to address these issues. We look forward to reporting to you the results of negotiated rulemaking 2000 and the recommendations that result from our track to 21st century regulations.

**Required Review of Regulations
Excerpt from the Higher Education Amendments of 1998**

SEC. 495. REVIEW OF REGULATIONS.

Part H of title IV is further amended by adding at the end the following:

SEC. 498B. REVIEW OF REGULATIONS.

(a) REVIEW REQUIRED- The Secretary shall review each regulation issued under this title that is in effect at the time of the review and applies to the operations or activities of any participant in the programs assisted under this title. The review shall include a determination of whether the regulation is duplicative, or is no longer necessary. The review may involve one or more of the following:

(1) An assurance of the uniformity of interpretation and application of such regulations.

(2) The establishment of a process for ensuring that eligibility and compliance issues, such as institutional audit, program review, and recertification, are considered simultaneously.

(3) A determination of the extent to which unnecessary costs are imposed on institutions of higher education as a consequence of the applicability to the facilities and equipment of such institutions of regulations prescribed for purposes of regulating industrial and commercial enterprises.

(b) REGULATORY AND STATUTORY RELIEF FOR SMALL VOLUME INSTITUTIONS -

The Secretary shall review and evaluate ways in which regulations under and provisions of this Act affecting institution of higher education (other than institutions described in section 102(a)(1)(C)), that have received in each of the two most recent award years prior to the date of the enactment of the Higher Education Amendments of 1998 less than \$200,000 in funds through this title, may be improved, streamlined, or eliminated.

`(c) CONSULTATION- In carrying out subsections (a) and (b), the Secretary shall consult with relevant representatives of institutions participating in the programs authorized by this title.

`(d) REPORTS TO CONGRESS-

`(1) IN GENERAL- The Secretary shall submit, not later than 1 year after the date of the enactment of the Higher Education Amendments of 1998, a report to the Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives detailing the Secretary's findings and recommendations based on the reviews conducted under subsections (a) and (b), including a timetable for implementation of any recommended changes in regulations and a description of any recommendations for legislative changes.

`(2) ADDITIONAL REPORTS- Not later than January 1, 2003, the Secretary shall submit a report to the Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives detailing the Secretary's findings and recommendations based on the review conducted under subsection (a), including a timetable for implementation of any recommended changes in regulations and a description of any recommendations for legislative changes.'.

-###-

The Prince William Sound Safety Fairway is described in 33 CFR 166.400. Most vessels operating in the area use the Prince William Sound Safety Fairway. The one exception is laden tankers chartered by British Petroleum departing from Cape Hinchinbrook. Instead of using the Hinchinbrook to Gulf Safety Fairway, these tankers use an alternate route to reduce the risk of an oil spill near the Copper River Flats and Delta.

What Data Did the Coast Guard Use to Help Conduct the Port Access Route Study?

We relied on data from a variety of sources. Two documents, the 1994 Disabled Tanker Towing Study and the 1996 Prince William Sound Risk Assessment, provided supporting data and analysis for the Port Access Routes Study. Copies of these studies are available from either of the persons listed under **FOR FURTHER INFORMATION CONTACT**. They are also available in the public docket at the address listed under the **ADDRESSES** section and electronically on the DMS website at <http://dms.dot.gov>. In addition, Coast Guard Vessel Traffic Service Prince William Sound collected up-to-date vessel transit data to ensure data in the Prince William Sound Risk Assessment remained valid.

We also considered the 12 written comments we received from the public. The comments generally support the recommendations in the study.

Study Recommendations

The study recommends four changes to existing vessel routing and traffic management measures.

1. Remove the southern dogleg to provide a straight traffic lane between the Pilot Station and Cape Hinchinbrook

The study found that implementing this recommendation should reduce risk for vessels operating in the area. Removing the dogleg decreases the length of transit in Prince William Sound, reducing overall exposure time for vessels. It should also result in a smoother flow of traffic and reduce traffic congestion. In addition, if the dogleg were removed, the minimum distance from the center of the southbound traffic lane to Naked Island would increase from 6 nautical miles to 9 nautical miles, reducing the risk of drift groundings.

To implement this recommendation, the following coordinates would connect the TSS in central Prince William Sound:

Latitude	Longitude
60°49'29.4" N	146°58'11.6" W
60°20'35.3" N	146°48'10.5" W
60°20'36.0" N	146°54'18.7" W
60°49'06.3" N	147°04'11.5" W

Within the TSS, the Separation Zone would be connected by the following coordinates:

Latitude	Longitude
60°48'17.6" N	146°59'46.1" W
60°20'56.1" N	146°50'19.3" W
60°20'45.9" N	146°52'18.7" W
60°48'07.2" N	147°01'47.0" W

2. Establish a Precautionary Area at Bligh Reef Pilot Station

Implementing this recommendation should reduce risk for vessels operating in the area. Several vessels converge in this area, including ferries, cruise ships, and tankers. Navigation can sometimes be difficult in the area because of outflows from the Columbia Glacier. In addition, since the area offers little protection from the weather, vessels occasionally alter course to provide safe embarking and disembarking for pilots.

To implement the recommended Precautionary Area, the southbound traffic lane of the TSS within Valdez Arm would be widened to meet up with the Precautionary Area. The TSS would be modified to the following coordinates:

Latitude	Longitude
60°58'55.6" N	146°48'51.3" W
60°58'02.6" N	146°46'31.1" W
60°50'36.8" N	147°03'36.1" W
60°49'29.4" N	146°58'11.6" W

The recommended Precautionary Area would consist of a 1.5 nautical mile radius around the following position:

Latitude	Longitude
60°49'38" N	147°01'20" W

3. Establish a Precautionary Area southeast of Cape Hinchinbrook

Implementing this recommendation should reduce the potential for traffic congestion in this area. As discussed in the *Background and Purpose* section of this document, laden tankers chartered by British Petroleum departing from Cape Hinchinbrook do not follow the existing Prince William Sound Safety Fairway. Instead, the vessels use an alternate route to provide an extra measure of protection for the environmentally sensitive Copper River Flats Delta area. The recommended Precautionary Area would provide two distinct routes for departing and

returning vessels, improving vessel traffic management and safety.

The following coordinates would bind the recommended Precautionary Area:

Latitude	Longitude
60°20'35.3"N	146°48'10.5"W
60°12'40.1"N	146°40'25.9"W
60°11'00.7"N	146°28'39.0"W
60°05'28.2"N	146°00'00.6"W
60°00'48.6"N	146°03'31.7"W
60°05'26.1"N	146°27'34.9"W
59°51'47.8"N	146°37'30.4"W
59°53'31.1"N	146°46'50.2"W
60°07'45.6"N	146°36'14.6"W
60°11'30.7"N	146°46'38.1"W
60°20'36.0"N	146°54'18.7"W

4. Remove the Separation Zone within the Valdez Arm

Implementing this recommendation may improve safety in the area. Traffic in and out of the Valdez narrows is relatively light and is monitored by the Vessel Traffic Service (VTS). Due to ice conditions, the VTS often imposes "custom ice routing measures" which typically involve one way traffic requirements. During the study, vessel operators stated that they would like to have more access to the center of the waterway when there are no vessels on opposing courses. This option may reduce the risk of powered and drift groundings since vessels could stay as far off shoal water as possible and offer the vessel masters the flexibility to consider prevailing weather and ice conditions to identify the safest track for their vessels.

However, there are concerns that removing the Separation Zone may increase the risk of collisions in the area.

The Coast Guard will seek public comment on the recommended changes to the existing routing measures before making any submission to the International Maritime Organization.

Dated: August 6, 1999.

R.C. North,

Rear Admiral, U.S. Coast Guard, Assistant Commandant for Marine Safety and Environmental Protection.

[FR Doc. 99-21921 Filed 8-25-99; 8:45 am]

BILLING CODE 4910-15-M

DEPARTMENT OF EDUCATION

34 CFR Ch. VI

Office of Postsecondary Education; Review of Regulations Under Title IV of the Higher Education Act of 1965, as Amended

AGENCY: Department of Education.

ACTION: Outreach to customers and partners for advice and

recommendations on regulatory review for Title IV of the Higher Education Act of 1965, as amended.

SUMMARY: We solicit advice and recommendations from interested parties (our customers—such as students and borrowers, and our partners—such as guaranty agencies, lenders, and schools) regarding a review of the regulations for programs authorized under Title IV of the Higher Education Act of 1965, as amended.

DATES: You may submit comments in writing by September 30, 1999, to the addresses in this notice or at topic sessions and regional sessions we are holding in September. (See dates, times and locations of topic and regional sessions under the **SUPPLEMENTARY INFORMATION** section of this notice.)

ADDRESSES: Address all comments to Colleen McGinnis, U.S. Department of Education, 400 Maryland Avenue, SW, ROB-3, Room 5102, Washington, DC 20202-5132. If you prefer to send your comments through the Internet, use the following address: ODS_regs@ed.gov

FOR FURTHER INFORMATION CONTACT: Colleen McGinnis, Telephone: (202) 708-7263. You may also obtain information on the Department's website at: <http://www.ed.gov/offices/ODS/regreview>

If you use a telecommunications device for the deaf (TDD) you may call the Federal Information Relay Service (FIRS) at 1-800-877-8339.

Individuals with disabilities may obtain this document in an alternate format (e.g., Braille, large print, audiotape, or computer diskette) on request to the contact person listed in the preceding paragraph.

SUPPLEMENTARY INFORMATION:

Background

On October 7, President Clinton signed into law Public Law 105-244, the Higher Education Amendments of 1998, (Amendments) amending the Higher Education Act of 1965 (HEA). Section 498B of the HEA, as amended, requires that we review each regulation issued under title IV of the HEA that is in effect at the time of the review and that applies to the operations or activities of any participant in the programs assisted under title IV. The review will include a determination of whether the regulation is duplicative or no longer necessary. The review may also involve:

- An assurance of the uniformity of interpretation and application of the regulations under title IV.
- The establishment of a process for ensuring that eligibility and compliance issues, such as institutional audit,

program review, and recertification, are considered simultaneously.

- A determination of the extent to which unnecessary costs are imposed on institutions of higher education as a consequence of regulations prescribed for purposes of regulating industrial and commercial enterprises.

In addition, we will review and evaluate, in accordance with section 498B, the extent to which regulatory and statutory provisions may be improved, streamlined, or eliminated for institutions of higher education (other than institutions described in section 102(a)(1)(C) of the HEA) that have received less than \$200,000 in title IV funds in each of the last two award years.

We will then prepare a report to Congress based on the results of this review. To assist us in preparing the report for Congress, as required by section 498B, we are consulting with relevant participants in title IV programs. Through this notice, the topic sessions and regional sessions that we will conduct, and other contacts with these customers and partners, we will collect the information necessary to complete the report to Congress.

We have already conducted listening sessions relating to title IV of the HEA through the Office of Student Financial Assistance's (OSFA's) Customer Service Task Force (CSTF). In the 1998 Amendments, Congress made OSFA the first Performance-Based Organization in the Federal government. Congress further mandated that OSFA improve service to students and cut the overall cost of postsecondary financial assistance. To achieve this end, OSFA conducted over 200 listening sessions and received over 8,000 comments through the listening sessions and over the Internet. OSFA received comments from students, schools, financial institutions, and employees. Many of the comments concerned the title IV regulations and their impact on our customers and partners.

We also received numerous useful suggestions from members of the student financial aid community for improving current title IV regulations during negotiated rulemaking sessions held from January-June, 1999.

In addition to the work that the Department has already done, we will hold several more topic sessions and regional sessions. We will be holding four topic sessions in Washington D.C., and three additional regional sessions, one each in Atlanta, Chicago, and San Francisco, to solicit comments, advice, and recommendations on our title IV regulations, in accordance with section 498B.

We recognize that the timing of these sessions is difficult for some of our customers and partners because of the beginning of the new school year. Unfortunately, when combined with the time required to complete negotiated rulemaking, the statutory deadline for producing a report leaves us with no alternative. Please note, however, that you can submit comments even if you are unable to attend the topic or regional sessions, to Colleen McGinnis, at the address listed in the **ADDRESSES** section of this notice, or by e-mail to the internet address listed in the **ADDRESSES** section of this notice.

Moreover, the process of reviewing regulations will not end with our report to Congress in October. We view this report as part of a continuing review and analysis of title IV regulations that will extend well beyond this report. If you are unable to provide comments at this time, there will be additional opportunities later this year, or next. Both the regional and listening sessions are intended to surface regulatory issues and identify regulatory sections in need of improvement. In addition, we would like to talk about an ongoing process for regulatory reform. The report will chronicle the issues identified at the sessions and outline the process for continuing our work on regulatory reform.

Specifically, we are interested in answers to the following five questions:

1. Are there any regulations that are duplicative or no longer necessary?
2. Are there any regulations that are not being interpreted and applied uniformly?
3. Are unnecessary burdens being placed on schools through the eligibility and compliance process? For example, is there a need to consider eligibility and compliance issues simultaneously?
4. Are unnecessary costs imposed on institutions of higher education by regulations that were designed to apply primarily to industrial and commercial enterprises?
5. Are there any regulations affecting public and private colleges and universities and proprietary schools that receive less than \$200,000 in title IV funds each year that could be improved, streamlined, or eliminated?

The Department is also engaged in a broader effort to reduce regulatory burdens while simultaneously assuring the effective administration of the title IV programs. This endeavor includes the recommendations of our customers and partners collected by the CSTF. In addition, to the extent time permits, this current review will also examine other ways in which our regulations could be improved.

In general, how can the Department's title IV regulations be revised to make them more effective? How can we reduce administrative burdens while still assuring the effective administration of the title IV programs? How can we improve the way we develop our regulations? Participants are welcome to address these issues either by attending the topic sessions, the regional sessions or by submitting written comments.

Topic Sessions

We are hosting four topic sessions in Washington, DC, in September. All four sessions are open to the public and will be held at the U.S. Department of Education, 400 Maryland Avenue, SW, Washington, DC 20202. The sessions are:

September 13, 1999; 8:30-12:30

Lender and Guaranty Agency Issues

September 13, 1999; 1:30-5:30

Loan Issues (FFEL, Direct Loan, and Perkins Loan Programs)

September 14, 1999; 8:30-12:30

Refunds, Program, and Student Eligibility Issues

September 14, 1999; 1:30-5:30

Institutional Eligibility Issues

Regional Sessions

We are also holding regional sessions in Atlanta, Chicago, and San Francisco. Individuals who wish to present comments at one of these regional sessions are encouraged to do so. It is likely that each participant choosing to make a statement will be limited to 5 minutes. Individuals interested in making oral statements will be able to sign up to make a statement beginning at 8:30 a.m. on the day of the session at the Department's regional session on-site registration table on a first-come, first-served basis. If additional time slots remain, individuals may be given additional time to speak. If no time slots remain, the Department has reserved one additional hour at the end of the day for people who were not able to register to speak. The amount of time available will depend upon the number of individuals who request reservations. Speakers may also submit written comments.

The Department has reserved a limited number of rooms at each of the following hotels at or below a special government per diem room rate. To reserve these rates, be certain to inform the hotel that you are attending the regional sessions with the Department of Education.

Dates, Times, and Locations of Regional Sessions

1. September 17, 1999, 9:00 a.m., Four Points Hotel Atlanta Perimeter, 1850 Cotillion Drive, Atlanta, GA. Call 1-770-394-5000 and ask for reservations. Sleeping room rate for September 16: \$89.00 plus taxes.

2. September 24, 1999, 9:00 a.m., The Sheraton Chicago Hotel and Towers, 301 E. North Water Street, Chicago, Illinois. Call 1-312-464-1000, and ask for reservations. Sleeping room rate for September 23: \$89.00 plus taxes.

3. September 27, 1999, 9:00 a.m., Clarion Hotel San Francisco Airport, 401 Millbrae Avenue East, San Francisco, CA. Call 1-650-692-6363 and ask for reservations. Sleeping room rate for September 26 and 27: \$109.00 plus taxes.

In addition, for anyone unable to attend any of the sessions, the Department will also accept, and strongly encourages, written comments. You should send your comments to Colleen McGinnis at the address listed in the ADDRESSES section of this notice, or by e-mail to the internet address listed in the ADDRESSES section of this notice.

Assistance to Individuals With Disabilities at the Listening Sessions

The listening session sites are accessible to individuals with disabilities. If you will need an auxiliary aid or service other than an interpreter to participate in the listening session (e.g., assistive listening device, or materials in an alternate format), notify the contact person listed in this notice at least two weeks before the scheduled listening session date. Although we will attempt to meet a request we receive after that date, we may not be able to make available the requested auxiliary aid or service because of insufficient time to arrange it.

Electronic Access to This Document

You may view this document in text or Adobe Portable Document Format (PDF) on the Internet at the following sites:

<http://ocfo.ed.gov/fedreg.htm>

http://ifap.ed.gov/csb_html/fedreg.htm

<http://www.ed.gov/legislation/HEA/rulemaking/>

To use the PDF, you must have the Adobe Acrobat Reader Program with Search, which is available free at the first of the previous sites. If you have questions about using the PDF, call the U.S. Government Printing Office (GPO), toll free, at 1-888-293-6498; or in the Washington, DC, area at (202) 512-1530.

Note: The official version of this document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available on GPO Access at: <http://www.access.gpo.gov/nara/index.html>

Program Authority: 20 U.S.C. 1099c-2.

Dated: August 23, 1999.

Richard W. Riley,

Secretary of Education.

[FR Doc. 99-22283 Filed 8-25-99; 8:45 am]

BILLING CODE 4000-01-U

POSTAL SERVICE

39 CFR Part 265

Release of Information

AGENCY: Postal Service.

ACTION: Proposed rule.

SUMMARY: This document rescinds a proposal published on June 9, 1999, (64 FR 30929) to amend the Postal Service's regulations to allow the disclosure of certain information contained in PS Form 1583, Application for Delivery of Mail Through Agent. Under that proposed rule change, the recorded business name, address, and telephone number of the addressee using a Commercial Mail Receiving Agency (CMRA) private mailbox (PMB) for the purpose of doing or soliciting business with the public would be furnished to any person upon request without charge. The rule change would have been consistent with current postal policy applicable to post office boxholders.

As a result of public comment, discussed below, this document proposes a rule to preserve current postal policy that prohibits disclosure of information contained in PS Form 1583 except to federal, local, and state government agency requesters, including those engaged in law enforcement activities, or pursuant to subpoena or court order. In addition, this proposal would amend the Postal Service's current policy for disclosing information about post office boxholders contained in PS Form 1093, Application for Post Office Box or Caller Service. Under current policy, the recorded business name, address, and telephone number of the holder of a post office box used for doing or soliciting business with the public, or of any person applying for a box on behalf of a holder, are provided to any person. Under this proposed rule change, core disclosure policy for post office boxholder information will parallel that for PMB customers in that disclosure to

22. On page 66054, left column, correct the reference to the Eastern Research Group document to read as follows: "Eastern Research Group [ERG, 1999]. *Tabulations from OSHA's 1993 Ergonomics Survey*, Lexington, MA, 1999, Ex. 28-7."

23. On page 66054, left column, in the reference to the Robert Morris Associates document, add ", Ex. 26-1641" after "Philadelphia, PA 1996".

24. On page 66063, left column, in paragraph 5 under "G. MSD Management," correct "medical" to "MSD" in the first line.

25. On page 66065, left column, in the first paragraph under "C. Notice of Intention to Appear at the Hearings," correct the date in the first line to read "January 24, 2000".

Corrections to Regulatory Text

PART 1910—[CORRECTED]

Subpart Y—[Corrected]

§ 1910.945 [Corrected]

1. On page 66075, left column, correct the section number "§ 1910.945" to read "§ 1910.945".

2. On page 66075, left column, in § 1910.945, in the definition of "Administrative controls," lines 2 and 3, correct the phrase "magnitude, frequency or duration" to read "magnitude, frequency, and/or duration".

3. On page 66075, left column, in § 1910.945, in the definition of "Covered MSD," correct paragraphs (1)(iv) and (2)(iv) by adding the words "of the job" after the words "core element".

4. On page 66075, right column, in § 1910.945, in paragraph (2) of the definition of "Ergonomic risk factors," lines 5 and 6, correct the phrase "duration, frequency and magnitude" to read "duration, frequency, and/or magnitude".

5. On page 66076, left column, in § 1910.945, in the definition for "Manual handling jobs," in the heading of the table, correct "(2) EXAMPLES OF JOB/TASKS THAT TYPICALLY ARE NOT MANUAL HANDLING JOBS" to read "(2) EXAMPLES OF JOBS THAT TYPICALLY ARE NOT MANUAL HANDLING JOBS".

6. On page 66077, right column, in § 1910.945, in paragraph (1) of the definition of "OSHA recordable MSD," line 2, correct "pre-existing MSD." to read "pre-existing MSD; and".

Signed at Washington, DC, this 23rd day of December, 1999.

Charles N. Jeffress,

Assistant Secretary of Labor.

[FR Doc. 99-33860 Filed 12-29-99; 8:45 am]

BILLING CODE 4510-26-P

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 206

RIN 1010-AC09

Workshops on Further Supplementary Proposed Rule—Establishing Oil Value for Royalty Due on Federal Leases

AGENCY: Minerals Management Service, Interior.

ACTION: Notice of public workshops.

SUMMARY: The Minerals Management Service (MMS) is giving notice of three public workshops concerning the further supplementary proposed rule.

DATES: The public workshop dates are:

Workshop 1—Houston, Texas, on January 19, 2000, beginning at 9 a.m. and ending at 5 p.m., Central time.

Workshop 2—Albuquerque, New Mexico, on January 19, 2000, beginning at 9 a.m. and ending at 5 p.m., Mountain time.

Workshop 3—Washington, D.C., on January 20, 2000, beginning at 9 a.m. and ending at 5 p.m., Eastern time.

ADDRESSES: The workshop locations are:

Workshop 1 will be held at the Houston Compliance Division Office, Minerals Management Service, 4141 North Sam Houston Parkway East, Houston, Texas 77032, telephone number (281) 987-6802.

Workshop 2 will be held at the Bureau of Land Management, Albuquerque District Office, 435 Montano Road, Albuquerque, New Mexico 87107, telephone number (505) 761-8700.

Workshop 3 will be held at the Main Interior Building, 1849 C Street, NW, Washington, D.C. 20240 (South Penthouse Room), telephone number, (202) 208-3512.

FOR FURTHER INFORMATION CONTACT: David S. Guzy, Chief, Rules and Publications Staff, Minerals Management Service, Royalty Management Program, P.O. Box 25165, MS 3021, Denver, Colorado 80225-0165, telephone (303) 231-3432, fax number (303) 231-3385, e-mail David_Guzy@mms.gov.

SUPPLEMENTARY INFORMATION: The workshops will be open to the public without advance registration. Public

attendance may be limited to the space available. We encourage a workshop atmosphere; members of the public are encouraged to participate in a discussion of the further supplementary proposed rule. For building security measures, each person may be required to present a picture identification to gain entry to the workshops.

Dated: December 23, 1999.

R. Dale Fazio,

Acting Associate Director for Royalty Management.

[FR Doc. 99-33861 Filed 12-29-99; 8:45 am]

BILLING CODE 4310-MR-P

DEPARTMENT OF EDUCATION

34 CFR Chapter VI

Student Financial Assistance

AGENCY: Department of Education.

ACTION: Notice of intention to establish negotiated rulemaking committees on issues under Title IV of the Higher Education Act of 1965, as amended.

SUMMARY: We announce our intention to establish two negotiated rulemaking committees to prepare proposed regulations under Title IV of the Higher Education Act of 1965, as amended. Each committee will include representatives of the interests that are significantly affected by the subject matter of the regulations. We request nominations for participants from anyone who believes that his or her organization or group should participate in this negotiated rulemaking process.

DATES: We will consider all nominations for membership on the committees that we receive by January 18, 2000. We will also be holding a meeting on January 18, 2000, at the Department of Education for interested parties to discuss the procedures for the negotiated rulemaking sessions.

ADDRESSES: Please send your nomination to Beth Grebeldinger, U.S. Department of Education, 400 Maryland Ave., SW., ROB-3, Washington, DC 20202-5257, or fax to Beth Grebeldinger at (202) 708-7196. You may also email your nominations to: beth_grebeldinger@ed.gov

The meeting will be held at the Department of Education at the address above. Anyone interested in attending the meeting should contact Beth Grebeldinger at (202) 205-8822.

FOR FURTHER INFORMATION CONTACT: Beth Grebeldinger, U.S. Department of Education, 400 Maryland Ave., SW., ROB-3, Washington, DC 20202-5257. Telephone: (202) 205-8822. If you use a

telecommunications device for the deaf (TDD) you may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 between 8 a.m. and 8 p.m.

Individuals with disabilities may obtain this document in an alternate format (e.g., Braille, large print, audiotape, or computer diskette) on request to the contact person listed in the preceding paragraph.

SUPPLEMENTARY INFORMATION: The meeting site is accessible to individuals with disabilities. If you will need an auxiliary aid or service to participate in the meeting (e.g. interpreting service, assistive listening device, or materials in alternate format), notify the contact person listed in this NPRM in advance of the scheduled meeting date. Although we will attempt to meet a request we receive, we may not be able to make available the requested auxiliary aid or service because of insufficient time to arrange it.

Structure of Committees

We anticipate having two negotiating committees. The ultimate goal of negotiated rulemaking is to reach a consensus on proposed regulations through discussion and negotiation among interested and affected parties, including the Department of Education. With this in mind, we will conduct these negotiations within a structure that is designed to meet this goal fairly and efficiently. We expect to make the committees large enough to allow significantly affected parties to be represented, without making the committees so large as to be unmanageable and potentially unsuccessful. We therefore encourage organizations and groups to work together to nominate someone who would represent a coalition of organizations or groups. The meetings will be open to the public.

We list below the issues each committee is likely to address. The list was developed through topic sessions held with representatives of the participants in the student financial aid programs in Washington, DC, through listening sessions held in Atlanta, Chicago, and San Francisco, and through listening sessions conducted by the Office of Student Financial Assistance's (OSFA's) Customer Service Task Force. This list of issues is tentative and may be revised as the process continues.

Note: A comprehensive review of delinquency and default management (including due diligence) has not been included on the list of issues for this round of negotiated rulemaking. Because of the complexity of these issues, we will convene

discussions in early 2000 with all interested parties to begin consideration of these issues and to discuss what issues, if any, should be included in a future session of negotiated rulemaking.

Committee I: Loan Issues Committee

Cohort Default Rates

- Restructure and revise cohort default rate provisions for clarity and consistency (34 CFR 668.17).
- Address the effect of changes of ownership on calculation of cohort default rates and related determinations of eligibility (34 CFR 668.17(g)).
- Remove or modify the list of default reduction measures in Appendix D to Part 668.
- Develop regulations regarding electronic appeal submission and processing, including consideration of the functions to be performed by guaranty agencies, schools, and the Department.

Death and Disability—address evidentiary requirements for death discharges; standards for granting disability discharges; and processes for evaluating discharge applications (34 CFR 682.402(b) and (c)).

Delinquency and Default Management—address post-default due diligence (34 CFR 682.410(b)(6) and (7)).

Teacher Loan Forgiveness

False Certification Discharges—address implications of the decision in *Jordan v. Riley* and the existing ability to benefit standards (34 CFR 682.402(e)).

Federal Perkins Loans—address proof of claim requirements in bankruptcy (34 CFR 674) and criteria regarding institutions' ability to maintain an acceptable record of collecting on loans.

Cash Management—address just-in-time provisions (34 CFR 668.162 and 668.167).

Committee II: Program and Eligibility Issues Committee

Change of Ownership—(34 CFR 668.12 and 668.13 and 34 CFR 600.20, 600.21, 600.30, and 600.31)

- Address changes of ownership of publicly traded corporations.
- Consider changes of control issues that are unique to public institutions.
- Clarify application procedures and information required for changes of ownership and other situations.
- Consolidate and clarify change of ownership provisions, including application procedures.

Nontraditional Programs

- Consider the definitions of standard term, nonstandard term and non-term (34 CFR 668.2).
- Address the application of the 12 hour rule as found in the academic year

and eligible programs definitions (34 CFR 668.2 and 668.8).

- Revise notification and approval requirements for additional locations and new programs (34 CFR 600.10, 600.20, 600.21, and 600.30).
- Consider revisions to regulatory provisions governing consortium and contractual agreements (34 CFR 600.9).

Special Leveraging Education Assistance Partnerships (SLEAP)

Electronic Authorization and Verification, and Electronic Retention

- Address these issues for certain Title IV programs and purposes.
- Each negotiating committee will include representatives of significantly affected interests, such as students, and/or legal assistance organizations that represent students, institutions of higher education, guaranty agencies, lenders, secondary markets, loan servicers, guaranty agency servicers, and collection agencies.

Schedule for Negotiations

There are expected to be a total of approximately four meetings of each committee, all of which will be held in the metropolitan Washington, DC area. The following is the tentative schedule for negotiations for each of the committees. This schedule is subject to change.

Committee I

Session 1: February 7-8
Session 2: March 27-29
Session 3: May 1-3
Session 4: May 30-31

Committee II

Session 1: February 17-18
Session 2: March 29-31
Session 3: May 3-5
Session 4: June 1-2

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Program Authority: 20 U.S.C. 1098a.
(Catalog of Federal Domestic Assistance
Number does not apply)

Richard W. Riley,
Secretary of Education.

[FR Doc. 99-33951 Filed 12-29-99; 8:45 am]

BILLING CODE 4000-01-U

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 300

[FRL-6515-9]

National Oil and Hazardous Substances Pollution Contingency Plan; National Priorities List

AGENCY: Environmental Protection
Agency.

ACTION: Proposed rule.

SUMMARY: The United States Environmental Protection Agency (EPA) proposes to delete the Monticello Radioactive Contaminated Properties Site (Site), located in Monticello, Utah, from the National Priorities List (NPL). The NPL is the National Oil and Hazardous Substances Pollution and Contingency Plan (NCP), which EPA promulgated pursuant to section 105 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA). This action is being taken because EPA, with the preliminary concurrence of the State of Utah Department of Environmental Quality (UDEQ), has determined that responsible parties have implemented all appropriate response actions required and that no further response at the Site is appropriate.

A detailed rationale for this Proposal to Delete is set forth in the direct final rule which can be found in the Rules and Regulations section of this **Federal Register**. The direct final rule is being published because EPA views this deletion action as a noncontroversial revision and anticipates no significant adverse or critical comments. If no significant adverse or critical comments are received, no further activity is contemplated. If EPA receives significant adverse or critical comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period. Any parties interested in commenting should do so at this time.

DATES: Comments concerning this action must be received by EPA by January 31, 2000.

ADDRESSES: Comments may be mailed to: Mr. Jerry Cross (8EPR-F), Remedial Project Manager, U.S. Environmental Protection Agency, Region 8, 999 18th Street, Suite 500, Denver, Colorado 80202-2466, telephone (303) 312-6664.

Information repositories:
Comprehensive information on the Site is available for viewing and copying at the Site information repositories at the following locations: U.S. Department of Energy Grand Junction Project Office Public Reading Room, 2597 B³/₄ Road, Grand Junction, Colorado 81503, (970) 248-6344; Monticello City Offices, 17 North First East Street, Monticello, Utah 84535, (435) 587-2271.

FOR FURTHER INFORMATION CONTACT: Mr. Jerry Cross (8EPR-F), Remedial Project Manager, U.S. Environmental Protection Agency, Region 8, 999 18th Street, Suite 500, Denver, Colorado 80202-2466, telephone (303) 312-6664; Mr. Joel Berwick, Project Manager, U.S. Department of Energy, 2597 B³/₄ Road, Grand Junction, Colorado, 81503, (970) 248-6020; Mr. David Bird, Project Manager, State of Utah Department of Environmental Quality, 168 North 1950 West, Salt Lake City, Utah, 84116, (801) 536-4219.

SUPPLEMENTARY INFORMATION: For additional information, see the direct final rule which is located in the Rules and Regulations section of this **Federal Register**.

Authority: 33 U.S.C. 1321(c)(2); 42 U.S.C. 9601-9657; E.O. 12777, 56 FR 54757, 3 CFR, 1991 Comp., p. 351; E.O. 12580, 52 FR 2923; 3 CFR, 1987 Comp., p. 193.

Dated: December 15, 1999.

William P. Yellowtail,

Regional Administrator, Region 8.

[FR Doc. 99-33524 Filed 12-29-99; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[DA 99-2759; MM Docket No. 99-353; RM-9787]

Radio Broadcasting Services; Mojave, CA

AGENCY: Federal Communications
Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition for rule making filed by Linda A. Davidson requesting the allotment of Channel 241A to Mojave, California, as that community's second local FM transmission service. As Mojave is located within 320

kilometers (199 miles) of the U.S.-Mexico border, concurrence of the Mexican government to the requested allotment of Channel 241A at that community must be obtained. Coordinates used for this proposal are 35-06-11 NL; 118-10-22 WL.

DATES: Comments must be filed on or before January 31, 2000, and reply comments on or before February 15, 2000.

ADDRESSES: Secretary, Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioner, as follows: Linda A. Davidson, 2134 Oak St., Unit C, Santa Monica, CA 90405.

FOR FURTHER INFORMATION CONTACT: Nancy Joyner, Mass Media Bureau, (202) 418-2180.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's Notice of Proposed Rule Making, MM Docket No. 99-353, adopted December 1, 1999, and released December 10, 1999. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC's Reference Information Center (Room CY-A257), 445 Twelfth Street, SW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Service, Inc., 1231 20th Street, NW., Washington, DC 20036, (202) 857-3800.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1204(b) for rules governing permissible *ex parte* contacts.

For information regarding proper filing procedures for comments, see 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

John A. Karousos,

*Chief, Allocations Branch, Policy and Rules
Division, Mass Media Bureau.*

[FR Doc. 99-33891 Filed 12-29-99; 8:45 am]

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