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**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**42 CFR Part 60**

**RIN 0906-AB21**

**Removing Outmoded Regulations Regarding the Health Education Assistance Loan (HEAL) Program**

**AGENCY:** Health Resources and Services Administration (HRSA), Department of Health and Human Services (HHS).

**ACTION:** Final rule.

**SUMMARY:** This action removes the outmoded HHS regulations for the HEAL Program. As of July 1, 2014, this program transferred from HHS to the Department of Education (ED). On November 15, 2017, ED published HEAL Program regulations within its own regulatory framework. With the publication of ED's regulations, the HHS HEAL Program regulations are rendered obsolete.

**DATES:** This rule is effective **[INSERT 30 DAYS FROM THE DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**FOR FURTHER INFORMATION CONTACT:** Michelle Goodman, Public Health Analyst, Division of Policy and Shortage Designation, Bureau of Health Workforce, HRSA, 5600 Fishers Lane, Room 11W54, Rockville, MD 20857, by phone at (301) 443-7440, or by email at [mgoodman@hrsa.gov](mailto:mgoodman@hrsa.gov).

**SUPPLEMENTARY INFORMATION:** In response to Executive Order 13563, Section 6(a), which urges agencies to repeal existing regulations that are outmoded from the Code of Federal Regulations (CFR), HHS is removing 42 CFR part 60. HHS believes that there is good cause to

bypass notice and comment and proceed to a final rule, pursuant to 5 U.S.C. 553(b)(B). The action is non-controversial, as it merely removes an obsolete provision from the CFR. This rule poses no new substantive requirements on the public. Thus, we view notice and comment as unnecessary.

## **Background**

The HEAL Program is authorized by sections 701–720 of the Public Health Service Act (the Act), 42 U.S.C. 292–292p, and was first administered by the Office of Education in the former Department of Health, Education, and Welfare (HEW). From Fiscal Year (FY) 1978 through FY 1998, the HEAL Program insured loans made by participating lenders to eligible graduate students in schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, public health, pharmacy, and chiropractic, and in programs in health administration and clinical psychology.

The HEAL Program regulations were originally published on August 26, 1983. Authorization to fund new HEAL loans to students expired on September 30, 1998. Provisions of the HEAL legislation allowing for the refinancing or consolidation of existing HEAL loans expired on September 30, 2004. However, the reporting, notification, and recordkeeping burden associated with refinancing HEAL loans, servicing outstanding loans, and administering and monitoring of the HEAL Program regulations continues.

On July 1, 2014, Congress transferred the program to ED pursuant to Division H, title V, section 525 of the Consolidated Appropriations Act, 2014 (Pub. L. 113–76) (Consolidated Appropriations Act, 2014). On November 15, 2017, ED published HEAL Program regulations rendering the HHS HEAL Program regulations obsolete. *See* 82 FR 53378 (adding 34 CFR part 681).

### **Executive Orders 12866, 13563, 13771, and 13777**

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity).

Section 3(f) of Executive Order 12866 defines a “significant regulatory action” as “any regulatory action that is likely to result in a rule that may: (1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety or State, local, or tribal governments or communities; (2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in th[e] Executive Order.”

A regulatory impact analysis must be prepared for major rules with economically significant effects (\$100 million or more in any 1 year). HHS submits that this final rule is not economically significant as measured by the \$100 million threshold, and hence not a major rule under the Congressional Review Act. This rule has not been designated as a significant regulatory action as defined by Executive Order 12866. As such, it has not been reviewed by the Office of Management and Budget.

Executive Order 13771, titled “Reducing Regulation and Controlling Regulatory Costs,” was issued on January 30, 2017. Pursuant to Executive Order 13771, HHS identifies this final rule as

a deregulatory action (i.e., removing an obsolete rule from the Code of Federal Regulations). For the purposes of Executive Order 13771, this final rule is not a substantive rule; rather it is administrative in nature and provides no cost savings.

On February 24, 2017, the President issued Executive Order 13777 titled “Enforcing the Regulatory Reform Agenda”. As required by Section 3 of the Executive Order, HHS established a Regulatory Reform Task Force (HHS Task Force) to review existing regulations and make recommendations regarding their repeal, replacement, or modification. The HHS Task Force evaluated the HEAL Program regulations and determined them to be outdated, unnecessary, or ineffective. Thus, the HHS Task force advised initiating this final rule to remove the obsolete regulations from the Code of Federal Regulations.

#### **Regulatory Flexibility Act**

This action will not have a significant economic impact on a substantial number of small entities. Therefore, the regulatory flexibility analysis provided for under the Regulatory Flexibility Act is not required.

#### **Paperwork Reduction Act**

This action does not affect any information collections.

Dated: May 20, 2019.

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**George Sigounas**

Administrator,

Health Resources and Services Administration.

Approved: June 7, 2019.

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**Alex M. Azar II**

Secretary,

Department of Health and Human Services.

**List of Subjects in 42 CFR 60**

Educational study programs, Health professions, Loan programs-education, Loan programs-health, Medical and dental schools, Reporting and recordkeeping requirements, Student aid

**PART 60--[REMOVED]**

For reasons set out in the preamble, and under the authority at 5 U.S.C. 301, HHS amends 42 CFR chapter I, subchapter D, by removing part 60.

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