

HEAL BULLETIN # 6

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
OFFICE OF EDUCATION  
BUREAU OF STUDENT FINANCIAL ASSISTANCE  
D.C. 20202

**MAY 21 1979**

TO: LENDERS PARTICIPATING IN THE HEALTH  
EDUCATION ASSISTANCE LOAN (HEAL) PROGRAM

Right to Financial Privacy Act of 1978 (RFPA)

P.L. 95-630 was enacted on November 10, 1978, and it includes Title XI, the "Right to Financial Privacy Act of 1973," which applies to all financial institutions (12 U.S.C. 3401-3421). The term "financial institution" includes any bank, savings bank, trust company, savings and loan association, or credit union, among others. The Right to Financial Privacy Act regulates any financial institution which provides a Federal agency, ("Government authority") or its agents with access to or information contained in, the financial records of a customer.

The RFPA applies to all financial institutions which are lenders in the Health Education Assistance Loan (HEAL) Program because these lenders disclose identifiable information from customer records to the Office of Education or provide CE access to customer financial records for purposes of program reviews.

Among other provisions, the RFPA requires that when a Federal agency involved in a loan program seeks information from a customer's financial records, it must certify to the financial institution that the Federal agency is complying with the applicable provisions of the RFPA. No further certification is required by the certifying Federal agency during the term of the loan or loan guaranty in order to meet this requirement, this bulletin constitutes such written certification to financial institutions which are lenders in the HEAL Program that OE has complied with applicable provisions of the Right to Financial Privacy Act of 1978 (RFPA) particularly those which relate to the administration of a Federal loan guaranty or loan insurance program (12 U.S.C. 3413(h))

In addition, the RFPA requires that a Federal agency which administers such a program must give an applicant for a loan written notice of the agency's access rights under this Act, whenever she/he applies for participation in the loan program. No further notification is required for subsequent access by that agency during the term of the loan or loan guaranty. This necessary written notice to the customer will be incorporated into the HEAL student application form when it is revised. Effective immediately, and until new application forms become available, lenders should provide a copy of the following written notice to students who apply for loans:

Under the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401-3421), the U.S. Office of Education will have access to financial records in your student loan file maintained by the lender in connection with the administration of the Health Education Assistance Loan Program.

Finally, under this Act, a financial institution which is a HEAL lender must keep a notation of each disclosure it makes to OE, and the date it was made, during the administration of a loan. Such notations can be accomplished by maintaining copies of forms submitted to OE (for example, copies of the student application form), by maintaining copies of appropriate correspondence, or by making notations in the loan files at the time of program reviews. The borrower is legally entitled to inspect this information.

Sincerely yours,

David C. Bayer  
Acting Chief  
Health Loan Branch  
Division of Policy  
and Program Development