

SUPPORTING STATEMENT

Information Collection for the Federal Family Education Loan Program William D. Ford Federal Direct Loan Program and Federal Perkins Loan Program

Military Deferment Request Form

A. Justification

1. Necessity of Information Collection

The Higher Education Reconciliation Act of 2005 (the HERA), Public Law 109-171, amended sections 428(b)(1)(M) [20 U.S.C. 1078(b)(1)(M)], 455(f)(2) [20 U.S.C. 1087e(f)(2)], 464(c)(2) (A) [20 U.S.C. 1087dd(c)(2)(A)], and 481 [20 U.S.C. 1088] of the Higher Education Act of 1965, as amended, (the HEA) by adding a new deferment provision that allows borrowers under the Federal Family Education Loan (FFEL) Program, the William D. Ford Federal Direct Loan (Direct Loan) Program, and the Federal Perkins (Perkins) Loan Program to temporarily postpone making payments on their eligible loans for up to three years while they are serving on active duty during a war or other military operation or national emergency. This new deferment is available only for loans that were first disbursed on or after July 1, 2001. A final rule published in the Federal Register on August 9, 2006 [71 FR 45666] amended 34 CFR 682.210, 34 CFR 685.204, and 34 CFR 674.33 to provide for the new military deferment in the FFEL , Direct Loan, and Perkins program regulations, respectively.

PDF versions of the applicable section (Title VIII, Subtitle A) of Public Law 109-171 and the August 9, 2006 final rule are included with this submission.

The regulations implementing the new military deferment require a borrower to request a deferment and to provide information to the loan holder establishing the borrower's eligibility for the deferment. A justification for the data elements on the deferment request form is included at the end of this supporting statement.

2. Purpose and Use of Information Collected

This information collection will serve as the means by which a borrower submits a request for a military deferment to his or her loan holder and provides the loan holder with the information needed to establish that the borrower meets the eligibility requirements for the deferment.

3. Consideration of Improved Information Technology

The collection of information does not involve the use of technological processes such as electronic submissions. A borrower must establish his or her eligibility for the military deferment either by obtaining a certification from a military official on the deferment request form, or by providing the loan holder with a copy of the borrower's military orders. Because of the requirement for a third-party certification or submission of additional documentation, the United States Postal Service or an alternative mail delivery service, currently provide the only practical means for a borrower to submit a military deferment request.

4. Efforts to Identify Duplication

There is no similar information already available from other sources that can be used for the purposes described in Item 2.

5. Burden Minimization as Applied to Small Business

No small businesses are affected by this information collection.

6. Consequences of Less Frequent Data Collection

A borrower will only complete the deferment request form one time for each period of deferment requested.

7. Special Circumstances Governing Data Collection

The collection of this information will be conducted in a manner that does not involve any of the guidelines in 5 CFR 1320.5(d)(2).

8. Consultations Outside the Agency

We considered recommendations from the financial aid community when developing the military deferment request form.

9. Payments or Gifts to Respondents

No payments or gifts will be provided to respondents.

10. Assurance of Confidentiality

The military deferment request includes a Privacy Act Notice that (1) informs the respondent of the statutory authority for the information collection; (2) explains that disclosure of the requested information is voluntary, but is required in order for the deferment request to be processed; and (3) identifies the third parties to whom the information may be disclosed, and explains the circumstances under which such disclosures may occur.

11. Questions of a Sensitive Nature

This information collection does not request any sensitive information.

12. Annual Hour Burden for Respondents/Record keepers

The total estimated annual reporting hour burden for this information collection is approximately 8,000 hours. The burden estimate was calculated as follows:

Estimated annual number of respondents:	16,000
Number of responses per borrower:	x 1
Hours per response:	x <u>0.5 (30 minutes)</u>
Annual hour burden:	8,000 hours

The total estimated cost burden for this collection is \$6,240.00. This estimate was calculated by multiplying the estimated number of respondents (16,000) by the current cost of postage required to return the deferment request form (\$0.39).

13. Annual Cost Burden to Respondents

There are no startup costs to respondents.

14. Estimated Annual Cost to Federal Government

There is no significant cost to the federal government associated with military deferment requests submitted by FFEL and Perkins borrowers, since FFEL Program loan holders and Perkins schools distribute the form, collect the information, and process the deferment requests.

The annual cost to the federal government for processing military deferment requests submitted by Direct Loan borrowers is approximately \$37,128.00. This represents costs for printing and mailing the deferment request forms, and processing the deferment requests.

15. Reason for Changes to Burden Hour Estimate

This is a new collection.

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16. Collection of Information with Published Results

The results of this information collection will not be published.

17. Approval Not to Display Expiration Date

The Department is not seeking this approval.

18. Exceptions to the Certification Statement

The Department is not requesting any exceptions to the Certification for Paperwork Reduction Act Submissions of OMB Form 83-1.

B. Collection of Information Employing Statistical Methods

This collection of information will not employ any statistical methods.

**Justification of Data Elements
Military Deferment Request**

<u>Data Element</u>	<u>Justification</u>
Section 1:	
Social Security Number	Used for borrower identification.
Name	Used for borrower identification.
Address	Used as the borrower’s official address to which correspondence related to the deferment is sent
City, State, Zip	Same as “Address”.
Telephone - Home	Used to contact the borrower if further information or clarification of responses is required.
Telephone - Other	Used to contact the borrower if further information or clarification of responses is required.
E-mail (optional)	Used to contact the borrower if further information or clarification of responses is required.
Section 3:	
Signature of Borrower or Borrower’s Representative and Date	Used to certify the validity of the information provided by the borrower. (If the borrower has been deployed on a military operation and is not readily available to complete the deferment request, the borrower’s designee may sign the form.)
Name of Representative (if applicable) and Relationship to Borrower	Used for identification of the individual who is signing the deferment request on behalf of the borrower.
Address of Representative	In the absence of the borrower, used as the official address to which correspondence related to the deferment is sent.
Telephone Number of Representative	In the absence of the borrower, used to contact the borrower’s representative if further information or clarification of responses is required.
Section 4:	
Period of the borrower’s military service	Used to determine the deferment period.
Name of Military Branch or National Guard	Used to identify the type of military service that is

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	the basis for the borrower’s deferment request.
Address	Used to contact certifying official if additional information or clarification is needed.
City, State, Zip	Same as “Address”.
Name/Title of Authorized Official	Used to identify the individual who is certifying the borrower’s eligibility for the deferment.
Telephone	Same as “Address”.
Authorized Official's Signature and Date	Used to certify the borrower’s eligibility for the deferment.