

Section 682.200 and 682.602 – Eligible Lender Trustee

The proposed changes implement the HEA Extension Act by amending the definition of lender to prohibit a FFEL lender from entering into an eligible lender trustee (ELT) relationship with a school or a school-affiliated organization as of September 30, 2006, but allowing current relationships to continue. The proposed changes also add a new definition of school-affiliated organization, and add a new §682.602 to apply most of the same restrictions that are imposed on FFEL school lenders by the HERA to school and school-affiliated ELT arrangements as of January 1, 2007. The entities affected by these proposed changes are lenders, ELTs, schools and school-affiliated organizations.

# of Institutions of Higher Education:	5,665
X % affected by ELT relationships	<u> .01</u>
# of Affected Institutions	57
X estimated # of burden hours to maintain FFEL compliance	<u> 1,000</u>
# of Burden Hours for Affected Institutions	57,000
# of Affected Institutions	57
X # of School-Affiliated Organizations Per affected school	<u> 1.5</u>
# of Affected School-Affiliated Organizations	86
X estimated # of burden hours to maintain FFEL compliance	<u> 1,000</u>
# of Burden Hours for Affected Institutions	86,000
<u>Affected Entity:</u>	
INSTITUTIONS:	57,000 hours
For-profit:	19,000
Not for profit:	19,000
State:	19,000
SCHOOL-AFFILIATED ORGANIZATIONS	86,000 hours
For-profit:	29,000
Not for profit:	28,000
State:	29,000

Respondents, Responses and Burden Hours:

# of Respondents	# of Responses	# Hrs/Response	#Hrs Burden
143	143	1000 =	143,000