

# **Supporting Statement for Paperwork Reduction Act Submissions 2007-2008 Free Application for Federal Student Aid (FAFSA)**

## **1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.**

Public Law 89-329, Sections 401-495, The Higher Education Act of 1965 as amended, mandates that the Secretary of Education "...produce, distribute and process free of charge a common financial reporting form to be used to determine the need and eligibility of a student for financial assistance." Federal Student Aid, an office of the U.S. Department of Education (hereafter "the Department"), subsequently developed the Free Application for Federal Student Aid (FAFSA) to collect the data necessary to determine a student's eligibility for participation in the following federal student assistance programs identified in the Higher Education Act (HEA): the Federal Pell Grant Program; the Campus-Based Programs; the William D. Ford Federal Direct Loan Program; the Federal Family Education Loan Program; the Academic Competitiveness Grant; and the National Science and Mathematics Access to Retain Talent (SMART) Grant.

Section 483 of the HEA further mandates that "the Secretary shall...use a common, simplified reapplication form..." that enables applicants who applied in previous years to submit a renewal application. Subsequently, Federal Student Aid developed the Renewal Free Application for Federal Student Aid (Renewal FAFSA). The Renewal FAFSA contains certain constant, preprinted data and an applicant need only update those data elements that have changed from the prior year. The data elements contained on the Renewal FAFSA are identical to those on the FAFSA, but fewer responses are required of applicants.

### **2006 Legislative Changes Affecting Data Collection**

In February 2006, the Higher Education Reconciliation Act (HERA) authorized a new grant program: the Academic Competitiveness Grant (ACG). To be eligible for each academic year, a student must:

- Be a U.S. citizen;
- Be a Federal Pell Grant recipient;
- Be enrolled full-time in a degree program;
- Be enrolled in the first or second academic year of his or her program of study at a two-year or four-year degree-granting institution;
- Have completed a rigorous secondary school program of study (after January 1, 2006, if a first-year student, and after January 1, 2005, if a second-year student);
- If a first-year student, not have been previously enrolled in an undergraduate program; and
- If a second-year student, have at least a cumulative 3.0 grade point average on a 4.0 scale (as set forth in regulations) for the first academic year.

To ensure that grants are awarded during the 2006-2007 award year, the Department notified each federal student aid applicant who was potentially eligible for an ACG based on information the applicant provided on his or her 2006-2007 FAFSA prior to July 1, 2006. The notification (e-mail or letter, based on the availability of an applicant e-mail address) provided information that helped the applicant determine whether he or she completed "a qualifying rigorous secondary school program of study identified by a federal or local educational agency and

recognized by the Secretary.” Applicants were able to certify their eligibility for an ACG by identifying the rigorous secondary school program through an electronic process linked to FAFSA on the Web or an alternative telephone option for students who did not have Web access. The Department subsequently provided notification to each applicant’s institution(s), as listed on the FAFSA filed by the applicant.

Applicants who filed a paper FAFSA on or after July 1, 2006 and were determined to be potentially eligible for ACG were notified and provided instructions on how to submit additional information. For applicants who completed an electronic FAFSA on or after

July 1, 2006, potential ACG eligibility was determined through real-time data edits. The applicant was prompted to self-certify his or her rigorous secondary school program prior to submitting the application for processing. In all cases, once the school determined that the student met all of the ACG eligibility requirements, the school awarded the student an ACG. The aforementioned process will continue for the 2007-2008 application processing cycle.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The purpose of the FAFSA is to collect personal and financial data from current or prospective students in order to perform a need analysis as described in Section 471 of the HEA. The need analysis results in an Expected Family Contribution (EFC) that postsecondary educational institutions use when determining the types and amounts of financial aid a student will receive. The information a student is required to provide on the FAFSA varies based upon his or her life circumstances. Essentially, FAFSA applicants fall into one of three categories. If the student is determined to be “dependent,” his or her parent(s) must also provide data. If the student is unmarried, but otherwise determined to be “independent,” only the student’s data is collected. If the student is married (a circumstance that makes the student automatically “independent”), the student must provide student and spousal data.

After completing the FAFSA, the student submits the form via the mail or the Internet to the Central Processing System (CPS). The CPS processes the data from the FAFSA, sends the student a Student Aid Report (SAR), and sends to schools the student has listed on the FAFSA an electronic Institutional Student Information Record (ISIR). Financial Aid Administrators at Title IV participating schools may award federal student assistance on the basis of either the student's valid SAR or ISIR, both of which contain a student's identification information, all the application data, and the official EFC as calculated by the CPS.

The EFC is calculated in accordance with the statutory formula in Part F of the HEA and is intended to indicate a student’s and his or her family's ability, if applicable, to contribute toward the student's cost of attending an institution of higher education. The seven components of the EFC calculation are:

- (1) The available income of (A) the student and the student's spouse, or (B) the student and the student's parents, in the case of a dependent student;
- (2) The number of dependents in the family of the student;
- (3) The number of dependents in the family of the student (excluding the parents) who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of Section 487 and for whom the family may reasonably be expected to contribute to their postsecondary education;

- (4) The net assets of (A) the student and the student's spouse, or (B) the student and the student's parents, in the case of a dependent student;
- (5) The marital status of the student;
- (6) The age of the older parent, in the case of a dependent student; and
- (7) Any additional expenses incurred (A) in the case of a dependent student, when both parents of the student are employed or when the family is headed by a single parent who is employed, or (B) in the case of an independent student, when the student is married and the student's spouse is employed or when the employed student qualifies as a surviving spouse or as a head of household under section 2 of the Internal Revenue Code of 1986.

Section 479(a) of the HEA mandates that the Secretary of Education use a simplified needs test for calculating the EFC for families who meet the requirements of subsection (b). That is, families who have adjusted gross incomes less than \$50,000 per year, and who file or are eligible to file a form 1040A or 1040EZ. The HEA added a provision that, regardless of the type of tax return filed, a dependent student and/or parent, or an independent student and spouse, is eligible for the simplified calculation if they received benefits from any of the following five federal means-tested benefit programs: Supplemental Security Income (SSI), Food Stamp Program, Free or Reduced Price Lunch, Temporary Assistance for Needy Families (TANF), and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

The six components of the simplified needs analysis are:

- (1) Adjusted gross income;
- (2) Federal taxes paid;
- (3) Untaxed income and benefits;
- (4) The number of family members;
- (5) The number of family members (excluding the parents) in postsecondary education; and
- (6) An allowance (A) for federal and other taxes, as defined in Section 475(c)(2) of the HEA for parents and dependent students and in Section 477(b)(2) for independent students with dependents, or (B) for federal and local income taxes, as defined in Section 476(b)(2) of the HEA for independent students without dependents.

Section 479(c) of the HEA further simplifies the process by permitting the automatic determination of an EFC of zero for families who have adjusted gross incomes of \$20,000 or less, and who file or are eligible to file a form 1040A or 1040EZ or who received benefits from a federal means-tested benefit program as described above. Other income and assets are not included for the purpose of calculating an automatic zero EFC.

The addition of the benefits question led the Department to explore a means by which applicants who qualify for a simplified needs calculation are able to bypass portions of the paper FAFSA. A prototype was developed. The prototype required students to use a worksheet to confirm their response to questions they had already answered, and if they met certain criteria, they were permitted to skip three (for independent students) or six (for dependent students and parents) asset questions. The Department ultimately decided there were major risk factors in attempting to implement a bypass or "skip logic" on the paper FAFSA for 2007-2008. We believe that a longer timeline is needed to complete the necessary design work, usability testing, and consultation with the financial aid community and state agencies, to produce a simplified FAFSA that has real benefit to the student and parent users. We are assembling a design group that will immediately begin work on such a product for the 2008-2009 school year. The online FAFSA, which is now filed by nearly 90% of applicants, already implements the skip logic for both the simplified needs test and

the automatic zero EFC. In addition, students who file on paper receive the benefit of the simplified and/or automatic zero EFC calculation during processing.

In addition to calculation of financial need for the various Title IV programs, the FAFSA also collects data that allows for a determination of a student's eligibility for the different Title IV programs as well as for state and school financial aid programs.

The data element justification explains the purpose and use of each element in the need analysis determination for each of these programs. If this data were not collected, the Department would be unable to make a determination of financial need and subsequently award any Title IV student financial aid, as mandated by the HEA. There are no uses of the FAFSA other than the ones previously described.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or forms of information technology.**

Section 483 of the HEA mandates that "The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, including private software providers, shall develop an electronic version of the form." Subsequently, Federal Student Aid developed FAFSA on the Web and Renewal FAFSA on the Web as companion pieces to the paper FAFSA. Both electronic applications are accessible via [www.fafsa.ed.gov](http://www.fafsa.ed.gov). The processing of the electronic applications is facilitated by the use of a personal identification number (PIN), which can be assigned to an individual before, during or after the submission of a FAFSA. Individuals who obtain a PIN may use it to electronically sign the FAFSA. Individuals who complete the paper FAFSA or do not have a PIN during their FAFSA on the Web session must provide a written signature. The Department continues to be committed to providing electronic applications. All methods of electronic application share the following benefits:

- (1) Faster processing than paper applications.
- (2) Reduced rate of rejection. Generally, we have maintained a reject rate of 8% for all paper applications and 0.5% for electronic applications. These percentages exclude signature rejects.
- (3) Internal and end-of-entry data edits to ensure that all required fields are completed and all conflicting data are resolved prior to submission.  
(Contributes to reduced rejection rate, above.)
- (4) Skip logic, which helps "shorten" the form by allowing applicants to skip questions that do not pertain to them.
- (5) FAFSA on the Web pre-fills certain questions based on earlier answers.
- (6) Availability of online help.

For the 2007-2008-award year, the Department will offer the following electronic means of application:

***FAFSA on the Web &  
Renewal FAFSA on the Web***

Students can complete their applications online and transmit their data to the CPS via the Internet, using FAFSA on the Web. FAFSA on the Web is available to PC users as well as Macintosh and other non-PC users who have Internet access. The Web version also allows U.S. citizens or eligible noncitizens living outside the U.S. to apply electronically. Both FAFSA on the Web and Renewal FAFSA on the Web offer a Spanish-language version.

For those applicants who qualify for the automatic zero or simplified needs EFC calculation, an option to skip certain questions pertaining to income and/or assets is built in. This skip feature requires the order of questions to be different on the Web than on the paper form.

Applicants who previously used a copy of the paper FAFSA as a worksheet for filing FAFSA on the Web can now use the FAFSA on the Web Worksheet. The FAFSA on the Web Worksheet is a better tool for this purpose as it presents questions in the order they appear on the Web, and it is significantly cheaper for the Department to print and distribute than the full paper FAFSA. Applicants can print the Worksheet from the FAFSA home page or get a copy from their school. All applicants, whether using paper or electronic applications, can check the status of their FAFSA online.

Security of applicant data on the Internet continues to be an issue of great concern. FAFSA on the Web uses the commercial encryption protocols available in the most commonly used Internet browsers. Initially, the Department required the strongest encryption levels available commercially (128-bit encryption). As requested by the Office of Management and Budget (OMB), since March 8, 1998, the Department also gives applicants a choice to use both 40-bit and 56-bit encryption as well. This step has greatly improved customer access to FAFSA on the Web and Renewal FAFSA on the Web while still retaining necessary security safeguards for student and parent information. In compliance with the Americans with Disabilities Act, FAFSA on the Web will continue to be accessible to visually impaired applicants for the 2007-2008 award year cycle.

### ***PIN and PIN Registration***

In addition to the electronic means of application described above, the Department has developed a PIN process that allows students and parents to 1) access their application information over the Internet and 2) sign their applications electronically without a paper signature page. This is made possible through the issuance of a PIN. The PIN is mailed in a secure mailer, which also informs the student what the PIN is and how it can be used. Applicants who provide an e-mail address will receive an e-mail with a link to a secure URL. This secure URL will contain the applicant's PIN. The applicant can view the PIN only once from the URL.

In the 2000-2001 award year, the Department began mailing PINs to all applicants whose data successfully matched with the Social Security Administration (SSA). In addition, the Department introduced the PIN Registration Web site in 2000-2001. This site allows high school students, parents, former students, and anyone else to register over the Internet for a PIN. Registering for a PIN requires a successful data match with SSA. In 2005-2006, we enhanced PIN security by requiring previous and new applicants to accept a confidentiality agreement, and also select and answer a "challenge phrase" before using their PINs to access Federal Student Aid systems and electronically sign financial aid documents. With PIN Registration in place, all applicants, even first-time dependent students, can file an electronic application with a PIN, without using a paper signature page.

### ***FAA Access to CPS Online***

Financial Aid Administrators (FAAs) may choose to use FAA Access to CPS Online to help students submit a FAFSA. This tool was introduced in April 2002 and allows FAAs to enter and transmit a student's original or renewal FAFSA over the Internet.

## **4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use of the purposes described in Item 2 above.**

The collection requirements for the FAFSA do not contain any duplication of data elements. The Renewal FAFSA contains the same questions as the FAFSA, but the Renewal FAFSA is filed in place of, not in addition to, an original FAFSA. The Renewal FAFSA does not require responses to items that were reported previously and do not need updating. It limits required responses to a small number of income and asset questions that are likely to change from year to year.

The SAR collects some corrected information that duplicates information collected by the FAFSA. However, the SAR is the output document containing data that are derived from the application and does not duplicate the process of initial data collection.

**5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-1), describe any methods used to minimize burden.**

Title IV participating postsecondary educational institutions may contract with small businesses for handling of financial aid administrative services. Otherwise, the FAFSA is not used by small businesses or other small entities.

**6. Describe the consequences to federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

Within the HEA, the Secretary is mandated to determine a student's need for financial aid on an annual basis. If the data were collected less frequently, the Department would be in violation of the law. Although a student must reapply and receive a new need analysis for every year that financial aid is requested, use of the Renewal FAFSA reduces the amount of new data that a student must provide.

The HERA will have a significant impact upon the 2007-2008 FAFSA. Specifically, it

- Adds a new dependency status question for individuals serving on active duty in the U.S. Armed Forces to allow these individuals to be treated as independent students in the need analysis calculations;
- Adds questions to collect information from applicants regarding their receipt of benefits from a federal means-tested benefit program;
- Modifies the "drug conviction" provisions adopted in 1998 allowing aid to be withheld only from students who have been convicted of possessing or selling drugs for an offense that occurred while the students were enrolled and receiving federal student aid (grants, loans and work-study);
- Specified that education accounts owned by a dependent student's parents, including Coverdell savings accounts, 529 college savings plans, and the refund value of 529 or federal prepaid tuition plans, should be reported as an asset of the parent, not the dependent student; and
- Specified that a family should not report the value of a small business that the family owns and controls and that has fewer than 100 full-time or full-time equivalent employees.

**7. Explain any special circumstance impacting the information collection.**

The 2007-2008 FAFSA does not collect information in a manner that would invoke special circumstances, as described in the Paperwork Reduction Act submission instructions.

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB.**

**[Amendment August 2006] A "Proposed Collection: Comment Request" Notice was published in the Federal Register on June 6, 2006 (Volume 71, Number 108, Page 32527-32528). A copy of the Notice will be included in the package of materials requesting clearance of the 2007-2008 FAFSA. During the 60-day public comment period, 94 individuals sent an email to the specially designated FAFSA mailbox FAFSA\_Comments@ed.gov.**

**The following data elements were deleted from the first FAFSA draft published June 6, 2006, because of space constraints on the paper form: questions 27 and 28 regarding the student's interest in student loans or work-study and questions 94-97 representing a fifth and sixth college choice. Question numbers refer to the 2006-2007 FAFSA. Many comments received during the 60-day public comment period indicated that financial aid administrators require information about a student's interest in work-study or student loans in order to properly package and award Federal student aid. Therefore, the draft FAFSA has been revised to restore one question (number 26) allowing students to enter a code from the instructions and indicate their interest in work-study, student loans, both programs, or neither program. Additional revisions to the FAFSA draft are as follows: 1) The new dependency question number 54 that asks if the student is currently serving on active duty in the U.S. armed forces has been placed prior to question number 55 that asks if the student is a veteran, for a more logical flow. New instructions for responding to the active duty question have been added in the "Notes" section. 2) Questions about federal benefits received by an independent student or spouse have been placed on page 4 as questions 92-96. A dependent student would report the receipt of federal benefits in the parents' section, questions 71-75, as a member of the parents' household. 3) Instructions have been modified for reporting the receipt of benefits from federal means-tested programs; for reporting investments; and for using tax returns with U.S. territories or freely associated states.**

The workgroup for the 2007-2008 FAFSA included representatives from National Association of State Student Grant and Aid Programs (NASSGAP), National Association of Student Financial Aid Administrators (NASFAA), the United States Student Association, the federal TRIO programs, Federal Student Aid, the Department, and Title IV participating postsecondary educational institutions. Department staff has actively solicited comments on the FAFSA at conferences, including Federal Student Aid's two national Electronic Access Conferences, and through smaller venues such as college fairs and community presentations. Additionally, formal periods of public comment have been established through the *Federal Register* annually. To assure the FAFSA is meeting the needs of our customers, the FAFSA format has been tested extensively in multiple rounds of usability testing with students and parents from varying backgrounds and income levels.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

Individuals who choose to complete the 2007-2008 FAFSA are applying for federal benefits. They do not receive payments or gifts.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulations, or agency policy.**

The confidentiality of the data collected by the 2007-2008 FAFSA is discussed in the Routine Uses section of the System of Records Notice for the Federal Student Aid Application File published on page 30159 of the Federal Register dated June 4, 1999 and updated on page 72407 on December 27, 1999; page 11294 on March 2, 2000; and on page 18758 on April 11, 2001. A section on Privacy, printed on Page 8 of the application package, informs the student that the postsecondary educational institutions and state agencies to which the student requests his or her data be sent will have access to the data, and that the financial aid agency(ies) in his or her state of legal residence will receive certain information, even if the student does not consent. In addition, agencies such as law enforcement agencies, OMB, the Department of Justice, the Government Accountability Office, Congress, and entities such as the Inspector General's office have access to the data. No other individuals have access to this information without the express written consent of the student.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.**

Except for questions 28 and 29 (what is your parents' level of education) and question 30 (have you been convicted for the possession or sale of illegal drugs for an offense that occurred while you were receiving federal student aid), the FAFSA does not contain questions of a sensitive nature beyond those needed to obtain the information necessary to determine an EFC. Questions 28 and 29 are used by some state grant and scholarship programs, some institutions, and the TRIO programs, which give special consideration to first-generation college students. The FAFSA instructions inform applicants that their responses to questions 28 and 29 do not affect their eligibility for federal student assistance. Question 30 is used to determine a student's eligibility for Title IV assistance in accordance with section 484(r) of the HEA.

**12. Provide estimates of the hour burden of the collection of information.**

The number of responses for the 2007-2008 FAFSA is estimated on the basis of one response per FAFSA submitted. The total applicant population comprises significant cohorts of individuals who, by statute, are required to complete only certain segments of the FAFSA. The HEA mandates certain data elements for specific populations. The following estimate takes into consideration the burden hour calculations for each unique applicant subpopulation (e.g., dependent vs. independent students) and the type of application (Web or paper) filed by each applicant.

	<b>Type of FAFSA Respondent</b> (Independent or Dependent)	<b>Estimated Number of FAFSA Respondents</b> (Volume)	<b>Estimated Hours to Complete FAFSA</b> (Percent)	<b>Estimated Total Burden Hours</b>
<b>FAFSA</b> <i>(Traditional paper FAFSA that is printed by the government and distributed nationally to schools, libraries, etc.)</i>	Dependent 54%	516,873	.97	501,367
	Independent 46%	440,300	.87	383,061
	Subtotals	<b>957,173</b> <b>6%</b>		<b>884,428</b>



<b>FAFSA on the Web</b> <i>(Web-based version of the FAFSA that is available via the Internet.)</i>	Dependent 54%	3,704,261	.62	2,296,642
	Independent 46%	3,155,482	.42	1,325,302
	Subtotals	<b>6,859,743</b> <b>43%</b>		<b>3,200,787</b>
<b>FAFSA Electronic</b> <i>(Electronic version of the FAFSA that can be used by Financial Aid Administrators, third-party servicers, etc.)</i>	Dependent 30%	335,011	.82	274,709
	Independent 70%	781,691	.69	539,367
	Subtotals	<b>1,116,702</b> <b>7%</b>		<b>814,076</b>
<b>FAFSA EZ</b> <i>(FAFSA on the Web is front-loaded with questions that identify certain applicants as being eligible for an "automatic zero EFC." This reduces the information collection burden for those applicants who are most in need of financial aid.)</i>	Dependent 35%	111,670	.20	22,334
	Independent 65%	207,388	.20	41,478
	Subtotals	<b>319,058</b> <b>2%</b>		<b>63,812</b>
<b>Renewal FAFSA on the Web</b> <i>(The Renewal FAFSA contains certain constant, preprinted data and an applicant need only update those data elements that have changed from the prior year. Data elements contained on the Renewal FAFSA are identical to those on the FAFSA, but fewer responses are required of applicants.)</i>	Dependent 46%	2,861,948	.42	1,202,018
	Independent 54%	3,359,679	.39	1,310,275
	Subtotals	<b>6,221,627</b> <b>39%</b>		<b>2,512,293</b>
<b>Renewal FAFSA Electronic</b> <i>(Electronic version of the Renewal FAFSA that can be used by financial aid administrators, third-party servicers, etc.)</i>	Dependent 30%	143,576	.42	60,302
	Independent 70%	335,011	.39	130,654
	Subtotals	<b>478,587</b> <b>3%</b>		<b>190,956</b>
<b>Total</b>		<b>15,952,890</b>		<b>7,666,352</b>

**Application volume projections:**

2005.2006	13,852,804 (actual volume as of 8/6/06 – projected to increase slightly prior to CPS close-out)
2006.2007	14,867,558 (based upon 7% (.073) increase from 2005-2006)
2007.2008	15,952,890 (based upon 7% (.073) increase from 2006-2007)

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.**

There is no annual cost burden to respondents or record keepers.

**14. Provide estimates of annualized cost to the federal government.**

Below are the estimated costs to the federal government to produce, process, and distribute the 2007-2008 FAFSA, FAFSA on the Web, Renewal FAFSA on the Web, and the electronic versions of these applications, including the CPS system.

A. CPS Projected Costs at the Virtual Data Center

FY 2007 (includes parts of the 2006-2007 and 2007-2008 award year processing cycles.)

\$18,956,011 Includes mainframe processing; software; system security and protection; capacity; storage (tape backup and optical); printing; etc.

Data Entry, System Development, Data Processing

The CPS is responsible for a category called Data Entry or Image and Data Capture (IDC) - delivery of data entry services resulting from the paper FAFSA and other related forms transmitted through a reliable and secure data capture system. Processing operations will include the receipt of FAFSA forms and the timely imaging, data capture and transmission of data and images for processing:

FY 2007 total data entry cost.....	\$7,622,645
FY 2007-08 processing cycle.....	\$5,536,204
FY 2007-08 development cycle.....	\$12,508,165

B. Other Costs

FAFSAs (paper)	
Printing	\$2,527,153
Distribution/Postage	\$1,335,028
FAFSA related customer responses	
Telephones	\$20,822,647
Correspondence	\$890,000
FAFSA Design Group	
Contractor Support/Usability Testing	\$60,000
<b>SUBTOTAL</b>	<b>\$25,634,828</b>

**15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.**

**The total estimated burden hours for 2007-2008 FAFSA applicants is 7,666,352 hours, which is a 147,664 hour reduction from the revised estimated burden hours for 2006-2007 FAFSA applicants (cleared by OMB on 8/10/06). The decrease in burden hours is attributed to the elimination of the paper-based Academic Competitiveness Grant (ACG) information collection process that was established to respond quickly to Congressional requirements contained within the Higher Education Reconciliation Act. In addition, the migration of customers from paper-based products to the Internet continues to lower overall burden on the public and reduce costs for the federal government. The distribution of FAFSA filers in the chart (See question 12) is in line with submission trends for the 2006-2007 FAFSA.**

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used.**

The results of the collected information will not be published for tabulation or publication.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be**

**inappropriate.**

The requested expiration date for OMB approval of this form is June 30, 2008. The expiration date for OMB approval is not included on the 2007-2008 FAFSA for design reasons, although the OMB control number is displayed. The term of approval and use of the form is apparent in the first-page instructions that inform applicants to send in the form between January 1, 2007 and June 30, 2008.

**18. Explain each exception to the certification statement identified in Item 20, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.**

Exceptions to the certification requirement are not requested for this information collection.