

Section 685.301 and 685.304 – Entrance Counseling for Graduate/Professional PLUS Borrowers

The proposed changes to §§685.301 and 685.304 would require institutions to provide entrance counseling to students as a part of the process for certifying a Direct Loan Grad/PLUS loan. Institutions have automated the loan counseling process to a high degree, therefore the burden increase to the institution is small.

of Direct Loan Grad/PLUS Loans:

| | | | | |
|--------------------------|---|--|---|---------------|
| July, 2006 – April, 2007 | X | Additional % of loans April through June, 2007 | = | Total # loans |
| 18,785 | | 1.33 | | 24,984 |

Amount of increased burden per Grad/PLUS loan = .5 hours (30 minutes)

Affected Entities:

| | | | | | |
|---------------|------------|---|--------------------------------------|---|---------------------------|
| | # of loans | X | Time to complete entrance counseling | = | Hours of increased burden |
| BORROWERS: | 24,984 | | .5 hours (30 minutes) | | 12,492 |
| INSTITUTIONS: | 24,984 | | .017 hours (1 minute) | | <u>424</u> |

Total Increase in Burden Hours: 12,916 hours

Respondents, Responses and Burden Hours:

| | | | | | |
|--------------|------------------|----------------|----------------|---|-------------|
| | # of Respondents | # of Responses | # Hrs/Response | = | #Hrs Burden |
| Borrowers | 24,984 | 24,984 | .5 | = | 12,492 |
| Institutions | 24,984 | 24,984 | .017 | = | 424 |