

**Section 674.38 – Deferment**

The proposed regulations would allow schools that participate in the Perkins Loan Program to grant deferments based upon information from another FFEL holder or from the Department of Education instead of requiring the borrower to provide a duplicate request for deferment to multiple loan holders. As a result, burden for borrowers and loan holders would decrease.

A total of 41,700 Perkins, FFEL and Direct loan borrowers were granted a non-in-school deferment in Award Year 2006 and received loans with more than one loan holder.

41,700 borrowers granted non-in-school deferment with multiple holders  
 $X \underline{\hspace{1cm}.25}$  hours projected amount of decreased burden per borrower  
 10,425 hours total number of hours of decreased burden

<u>For 2007-2008:</u>	<u># of Loans:</u>	<u>%</u>
Total projected # of Perkins Loan Program awards	501,000	.03
Total projected # of FFEL Program awards	12,483,000	.78
Total projected # of Direct Loan Program awards	<u>3,039,000</u>	<u>.19</u>
Total # of Title IV projected loans	16,023,000	1.00

Total Burden Reduction for the Perkins Loan Program:

10,425 total hours of burden reduction  
 $X \underline{\hspace{1cm}.03}$  percentage of all projected loans as Perkins  
 313 total # of hours of decreased burden in the Perkins Loan program

Affected Entities:

The amount of burden reduction is split between borrowers and loan holders. The majority of the burden reduction is provided to the borrowers since they will not have to complete and submit additional, duplicative deferment requests.

<u>Affected Entity:</u>	<u>% of burden reduction</u>	<u>hours of burden reduction</u>	=	<u>total hours of reduction</u>
BORROWERS:	.9	313		282
LOAN HOLDERS:	.1	313		<u>31</u>

313

Respondents, Responses and Burden Hours:

<u># of Respondents</u>	<u># of Responses</u>	<u># Hrs/Response</u>	=	<u>#Hrs Burden</u>
1251	1251	.25	=	-313