

Section 674.61 – Loan Discharge for Death

The proposed regulations would allow the use of an accurate and complete copy of a borrower’s death certificate, instead of only permitting the submission of the original or a certified copy of the certificate. While all respondents (survivors who submit death certificate information to obtain a Title IV loan death discharge), we estimate that 83.5% will take advantage of the provisions of this proposed regulation. Therefore, while there are 1,692 respondents and responses, 83.5% or 1,413 will potentially benefit by submitting a copy of the death certificate.

The # of death discharges for Title IV loans as of September 30, 2006 are as follows:

<u>Program Type</u>	<u># of loans</u>	<u>% by program</u>
FFEL Program	55,148	.78
Direct Loan Program	14,199	.20
Perkins Loan Program	<u>1,692</u>	<u>.02</u>
Total # of Title IV Loan Discharges for Death	71,039	1.00

Current Requirement:

Amount of time to contact the Office of Vital Statistics (or its equivalent) to obtain a certified copy of a death certificate = .25 hour (15 minutes).

Proposed Requirement:

Amount of time to copy and submit a copy of an original or certified copy of a death certificate = .17 hour (10 minutes).

	.25 hour (15 minutes)
	less <u>.17 hour</u> (10 minutes)
Burden reduction per record	.08 hour (5 minutes)

Total burden reduction:

# of death discharges	71,039
amount of burden reduction	<u>X .08 hour</u> (5 minutes)
Total burden hours reduced	5,683 hours

Total burden reduction by program:

Program type:	% of discharges by program	total hours of burden reduction	hours of reduction by program
FFEL Program	.78	5,683	4,433
Direct Loan Program	.20	5,683	1,137
Perkins Loan Program	.02	5,683	<u>113</u>
			5,638

<u>Affected Entities:</u>	% of entities impacted	hours of reduction by	amount of burden reduction by affected entity
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PERKINS program

SURVIVOR OF			
BORROWER:	.6	113	68
LOAN HOLDER:	.4	113	<u>45</u>
			113

Of the 1,692 Respondents and Responses, 83.5% are estimated to benefit from the proposed regulation (the other 16.5% we estimate will provide the original or certified copy of the death certificate).

Respondents, Responses and Burden Hours:

# of Respondents	# of Responses	# Hrs/Response	#Hrs Burden
1692	1692	.835* .08	= - 113