

**SUPPORTING STATEMENT
CONSOLIDATION LOAN REBATE FEE REPORT**

1. The Department of Education (ED) is submitting for approval the Consolidation Loan Rebate Fee Report, ED Form 4-619.

The information collected on the Consolidation Loan Rebate Fee Report will be used to document Federal Consolidation loans held by lenders who are responsible for sending interest payment rebate fees to the Secretary of ED.

The legal authority for collecting this information is the Omnibus Budget Reconciliation Act (Pub. L. 103-66) signed into law on August 10, 1993.

2. The Consolidation Loan Rebate Fee Report will be used by lenders participating in the Part B programs to submit interest payment rebate fees to ED for Federal Consolidation Loans disbursed on or after October 1, 1993. If the collection of this information is not conducted, we will be unable to track the fees systematically and there will be no accounting controls.

The information will be used by ED to determine that lenders are paying the fees on a monthly basis, and are received no later than the end of the following month.

If the information is not collected, the FFEL Program would not collect funds as mandated by the HEA, and the lenders would not be complying with Section 428C(f).

3. The Consolidation Loan Rebate Fee may be paid by Electronic Funds Transfer (EFT) and/or by check, giving lenders the flexibility for submitting payments.
4. This information is not collected elsewhere.
5. Collection of this information does not involve small businesses.
6. The law requires a monthly payment.
7. The collection of this information will be conducted in accordance with the guidelines in 5 CFR 1320.5.
8. Although the form did not change, copies of the original report were sent to Citibank, Intuition and Student Loan Marketing Association (SLMA). Comments provided were considered and instructional changes were made.
9. There are no plans to provide any payment or gift to respondents.
10. No assurances of confidentiality have been provided to respondents. The information collected here is available to the public as provided under the Privacy Act and the Freedom of Information Act.
11. There are no questions of a sensitive or private nature in this information collection activity.
12. The total annual burden has been determined to be approximately 13,000 hours. This was determined by multiplying the estimated number of annual respondents (1,000) times the number of responses per respondent (12), times the number of hour's (1.00) needed to

collect, complete, review and submit the information. ED is also citing one hour for annual recordkeeping per respondents (1,000).

Respondents	1,000
Responses	<u>12</u>
Total Annual Responses	12,000
times	
Hours Per Response	<u>1</u>
Total Burden Hours	12,000
plus	
Record Keepers	1,000
Hours per Recordkeeper	<u>1</u>
Total Hours	1,000
 TOTAL ANNUAL BURDEN HOURS	 13,000

The estimated cost to the public will be approximately \$216,000. This was determined by multiplying the estimated number of respondents (1,000), times the number of responses per respondent (12), times the number of hours it takes to collect, complete, review, submit and maintain the form (1.00), times an average hourly wage of \$18.00 per hour.

13. There is no additional annual cost burden to respondents or recordkeepers resulting from the collection of information.
14. A ED contractor will process this form. It is estimated that the annual operating cost of the computer system to the Federal Government will be \$100,000.
15. ED is citing a total burden hours of 13,000. This is an increase of 2,379 hours. The increase is due increase in number of respondents. These figures equate to an adjustment in burden of 2,379 hours.

Current Inventory	10,621
ED's Proposed Inventory	<u>13,000</u>
Difference of	2,379

16. ED does not plan to publish for statistical use the results of the information to be collected. Management reports, however, will be prepared.
17. The expiration date for OMB approval of the information collection will be displayed.
18. The collection of information complies with 5 CFR 1320.9.
19. There is no plans for collection of information to use for statistical methods.