

PAPERWORK REDUCTION ACT CHANGE WORKSHEET

Agency/Subagency U.S. Department of Education, Federal Student Aid		OMB Control Number 1845-0005
Enter only items that change		
	Current Record	New Record
Agency form number(s)	N/A	N/A
Annual reporting and record keeping hour burden		
Number of respondents	1,180,986	1,180,986
Total annual responses	1,180,986	1,180,986
Percent of these responses collected electronically	0%	0%
Total annual hours	188,958	188,958
Difference		
Explanation of difference		
Program Change	N/A	
Adjustment	N/A	
Annual reporting and record keeping cost burden (in thousands of dollars)		
Total annualized capital/startup costs	0	0
Total annual costs (O&M)	0	0
Total annualized cost requested	0	0
Difference		
Explanation of difference		
Program Change	N/A	
Adjustment	N/A	
Other change**		
<p>The College Cost Reduction and Access Act of 2007 (CCRAA) (Public Law 110-84) amended one of the eligibility requirements for receiving an economic hardship deferment on a loan made under the Federal Family Education Loan (FFEL) Program. Prior to the changes made by the CCRAA, Section 435(o)(1)(A) of the Higher Education Act of 1965, as amended, (the HEA) specified that a borrower was eligible for an economic hardship deferment if the borrower was working full-time and earning an amount that did not exceed the higher of (1) the minimum wage rate, or (2) an amount equal to 100% of the poverty line for a family of two. Section 304 of the CCRAA modified this eligibility requirement by replacing the reference to "an amount equal to 100% of the poverty line amount for a family of two" with "an amount equal to 150% of the poverty line amount applicable to the borrower's family size." This statutory change was effective October 1, 2007. Final regulations implementing this change were published in the Federal Register on November 1, 2007 (72 FR 61960).</p> <p>The Department is requesting approval to amend the FFEL Program Economic Hardship Deferment Request form to reflect the change made by the CCRAA, as explained above (including necessary conforming changes throughout the form and the optional worksheets). Related to this change, the Department is also requesting approval to (1) add a definition of "family size" in Section 5, and (2) add instructions in the 7th bullet of Section 6 telling borrowers who do not live in the U.S. to use the poverty line amount for the 48 contiguous states. Both of these additional changes are consistent with the language in the most recent draft of the proposed regulations that are currently being developed through the negotiated rulemaking process.</p> <p>This form, and all of the other FFEL Program deferment request forms approved under 1845-0005, will be submitted for clearance under the normal paperwork clearance process later in 2008. At that time, the Department will make any additional changes to the economic hardship deferment request that are needed based on the final regulations that are to be published later this year. Any additional changes would not take effect until July 1, 2009. In the interim, however, the changes described in this 83C are needed so that the FFEL Program loan holders can provide borrowers with a deferment request form that includes the changes to the eligibility requirements for economic hardship deferments that took effect October 1, 2007.</p> <p>The requested changes are limited in scope and do not affect the burden associated with this collection. The change in the poverty line standard is a statutory provision that is not subject to change through regulations. The proposed definition of family size and the requirement for borrowers who do not live in the U.S. are based on draft regulations that were have been developed under the negotiated rulemaking process.</p> <p>Included with this 83C is a draft revised economic hardship deferment request (with the optional worksheets) showing the proposed changes, highlighted in yellow.</p>		
Signature of Senior Officer or designee:	Date:	For OIRA Use
	04-16-2008	_____

**This form cannot be used to extend an expiration date