

**SUPPORTING STATEMENT FOR REQUEST FOR OMB APPROVAL
Under the Paperwork Reduction Act and 5 CFR 1320**

**Corporation for National and Community Service's
*Forbearance Request for National Service Form***

A. JUSTIFICATION

The National and Community Service Act of 1990, as amended, provides that individuals who complete a term of national service in an approved national service position are eligible for a postponement (specifically, a forbearance) on the repayment of any qualified student loan they have. The purpose for this is to suspend temporarily their obligation to make loan payments while they are earning a minimal living allowance in their national service position. Interest continues to accrue during this period, but payments are postponed.

In order for the loan holder to make a decision regarding the granting of certain types of forbearances and deferments, it requires proof that the borrower meets the criteria for obtaining the particular type of postponement, for example, for verification of military service or student status, which are certified by a military or school official.

The purpose of the Forbearance Request for National Service Form, or its electronic version, is to provide AmeriCorps members a vehicle for requesting this forbearance. It also serves as a method for the participating programs to verify that the individual is serving in an approved national service position, thereby meeting the criteria for the mandatory forbearance based on national service.

1. Need for Data Collection

Officials use the *Forbearance Request for National Service Form*, or its electronic version, to certify that AmeriCorps members are eligible for forbearance based on their

national service. The form also serves as the borrowers' official request to their loan companies for forbearance. Only the loan holder can grant forbearance. The form has a "Manual" version generated from the online request when the institution is not registered online, which provides the AmeriCorps member's electronic signature; the non-electronic version provides a space for the member and the authorized program official to sign.

2. Use of Information to be Collected

The information collected is solely for the purpose of providing the loan holder with the information necessary to grant a forbearance during the member's period of service.

3. Use of Improved Technology to Reduce Burden

Beginning in 2006, the Corporation implemented an online payments system which allows AmeriCorps members and institutions to complete their payment requests electronically. Currently, more than half of the education award and interest payments are directly entered into the Trust's database. The Corporation estimates a comparable figure for forbearance requests.

45. Efforts to Identify Duplication

This information is not being requested by any other means.

5. Burden on Small Entities

Only AmeriCorps members and certifying officials fill out portions of this form or its electronic equivalent and forward the forms to the loan holders who process the requests. While some AmeriCorps projects and some loan holders may fall under OMB's definition of small entities, forwarding the forms and processing the forbearance requests should not have a significant impact on a substantial number of small entities.

6. Consequences of Less Frequent or No Data Collection

The law states that for every term of service qualified student loans are eligible for mandatory forbearance. Since the forbearance is granted on a term by term basis, less frequent collection would impede full compliance with the forbearance process requirements. If this data were not collected, the loan holder would have no reason to put the loan in a forbearance status based on national service, and could require the borrower to continue to make payments while serving and earning a meager living allowance, and perhaps not having the money for loan payments. There is no undue burden on small entities.

7. Special Circumstances

No special circumstances exist with respect to this form.

8. Federal Register Publication and Comments Received

On March 27, 2008, a notice was placed in the Federal Register for a 60 day pre-clearance public comment period. No comments were received.

9. Provisions of Payments or Gifts

No payments or gifts are provided.

10. Assurance of Confidentiality

Confidentiality of information supplied by respondents is ensured by the Privacy Act. A Privacy Act notice appears on the form and its electronic equivalent.

Confidentiality is assured unless otherwise required by law.

11. Sensitive Questions

No sensitive questions are included on the form.

12. Estimates of Hour Burden of the Collection of Information

1833 hours: (9 minutes for AmeriCorps members to complete their section (non-electronic version) and 1 minute for loan holders to complete their section, totaling 10 minutes times 11,000 forms).

13. Estimate of Total Annual Cost

The estimated total annual cost is \$26,097: (1650 hours for members x \$5.15/hr = \$8,497.00 and 1100 hours for loan holders x \$16.00/hr = \$17,600.00).

14. Annualized Cost to Federal Government.

There will be no additional costs to the federal government, other than the ordinary cost of doing business.

15. Reasons for Program Changes or Adjustments

The burden has changed. The number of respondents is expected to be less, based on a review of annual records. Additionally, there now are two people responding to the questionnaire- a member, and a certifying official who signs the form.

16. Outline of Plans for Tabulation and Publication

There will be no publication of the data from the forms.

17. Display of Expiration Date

The Corporation will display the expiration date.

18. Exception to Certification Statement

No exceptions are requested

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods will not be used.

