

SUPPORTING STATEMENT

Information Collection for the William D. Ford Federal Direct Loan Program

Internship/Residency Forbearance Request Loan Debt Burden Forbearance Request

OMB No. 1845-0018

A. Justification

1. Necessity of Information Collected

Section 455(a)(1) of the Higher Education Act of 1965, as amended (the HEA) provides that unless otherwise specified, loans made under the William D. Ford Federal Direct Loan (Direct Loan) Program are to have the same terms, conditions, and benefits as loans made under the Federal Family Education Loan (FFEL) Program. The benefits available to borrowers under the FFEL Program include provisions for forbearance based on service in a medical or dental internship or residency program and federal education loan debt burden (see §428(c)(3) of the HEA and 34 CFR 685.205(a)(3) and (6)).

The HEA requires borrowers to agree to the terms of internship/residency or loan debt burden forbearances in writing. In addition, the Direct Loan Program regulations require borrowers to provide sufficient documentation to establish that they meet the statutory and regulatory criteria for a forbearance. The Internship/Residency Forbearance Request and Loan Debt Burden Forbearance Request forms serve as the means by which Direct Loan borrowers fulfill these requirements.

The U.S. Department of Education's (the Department's) Direct Loan Servicing Center sends, collects, and processes the two forbearance request forms. The Direct Loan Servicing Center also makes Portable Document Format (PDF) versions of the forms available on its website. The PDF versions of the forms may be downloaded and printed by borrowers who want to apply for a forbearance and by schools that want to make copies of the forms available to their Direct Loan borrowers.

The Department is requesting a revision of the currently approved collection. The only substantive change to the currently approved forms is a slightly revised Privacy Act Notice that matches the version of the Privacy Act Notice used on other recently approved Direct Loan Program forms.

2. Purpose and Use of Information Collected

The Department has used the collection of information on the currently approved Internship/Residency Forbearance Request and Loan Debt Burden Forbearance Request forms to collect the information needed to determine that a Direct Loan borrower is eligible for forbearance based on service in a medical or dental internship or residency program or based on federal education loan debt burden. The collection of information on the revised forms in this clearance package continues to be necessary and will be used for the same purpose. If the Department did not collect this information, a Direct Loan borrower would not be able to request and agree to an internship/residency forbearance or a loan debt burden forbearance.

3. Consideration of Improved Information Technology

The Department continues to maximize the use of available information technology in making and servicing Direct Loans. However, electronic completion and submission of the Internship/Residency Forbearance Request and Loan Debt Burden Forbearance Request forms is not possible. A borrower's eligibility for an internship/residency forbearance must be certified by an authorized official of the internship/residency program. To qualify for a loan debt burden forbearance, a borrower must attach supporting documentation to establish his or her eligibility for the forbearance. For these reasons, it is necessary for borrowers to complete and submit paper forms.

4. Efforts to Identify Duplication

A thorough review of procedures indicates that current requirements are minimal and avoid duplication. There is no similar information available that can be used or modified for the purposes of this collection.

5. Burden Minimization as Applied to Small Businesses

No small businesses are affected by this information collection.

6. Consequences of Less Frequent Data Collection

Less frequent data collection would not allow us to determine a Direct Loan borrower's eligibility for an internship/residency forbearance or a loan debt burden forbearance.

7. Special Circumstances Governing Data Collection

This information collection does not involve any of the conditions listed in 5 CFR 1320.5(d)(2).

8. Consultations Outside the Agency

In creating the Internship/Residency Forbearance Request and Loan Debt Burden Forbearance Request forms in this clearance package, we solicited recommendations for changes from loan servicing staff who assist Direct Loan borrowers with completing the form.

A notice was published in the Federal Register on January 16, 2009 (74 FR 3000) inviting public comments on this collection. We received no comments in response to this notice.

9. Payment or Gifts to Respondents

We will not provide any payments or gifts to the respondents.

10. Assurance of Confidentiality

The form includes a Privacy Act Notice that (1) informs borrowers of the statutory authority for the information collection, (2) explains that disclosure of the information is voluntary, but is required in order to process forbearance requests, and (3) identifies the

third parties to whom the information may be disclosed, and explains the circumstances under which such disclosures may occur.

11. Questions of a Sensitive Nature

This information collection does not include any questions of a sensitive nature.

12. Annual Hour Burden for Respondents/Recordkeepers

The total annual hour burden for this collection is estimated to be 1,023 hours, calculated as follows:

Internship/Residency Forbearance

Estimated annual number of respondents:		2,640
Number of responses per borrower:	x	1
Hours per response:	x	0.2 hours (12 minutes)
		<hr/>
		528 hours

Loan Debt Burden Forbearance

Estimated annual number of respondents:		2,475
Number of responses per borrower:	x	1
Hours per response:	x	0.2 hours (12 minutes)
		<hr/>
		495 hours

13. Estimated Annual Cost Burden to Respondents/Recordkeepers

There are no capital/startup costs to respondents, nor are there any annual costs to respondents associated with operating or maintaining systems or purchasing services.

14. Estimated Annual Cost to the Federal Government

The total estimated annual cost to the federal government for this information collection is \$5,483. This includes the following:

Printing the forms:	\$327
Mailing (including envelopes) and handling the forms:	\$1,514
Contractor costs for processing the completed forms:	\$3,642
TOTAL:	<hr/>
	\$5,483

15. Reasons for Program Changes/Adjustments Reported in Items 13 or 14 of OMB Form 83-I

The Department is not reporting any changes or adjustments.

16. Collection of Information with Published Results

We will not publish the results of this information collection.

17. Approval Not to Display Expiration Date

We are not seeking this approval.

18. Exceptions to the Certification Statement

We are not requesting any exceptions to the “Certification for Paperwork Reduction Act Submissions” of OMB Form 83-I.

B. Collection of Information Employing Statistical Methods

This information collection will not employ statistical methods.