PAPERWORK REDUCTION ACT
CHANGE WORKSHEET

Agency/Subagency U.S. Department of Education/Federal Student Aid		OMB Control Number 1845-0007
	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 respondent	5,239,078	(no change)
Total annual responses	5,239,078	(no change)
Percent of these responses collected electronically	50%	(no change)
Total annual hours	2,619,539	(no change)
Difference		(no change)
Explanation of difference		N/A
Program change 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		0
Explanation of difference		0
Program change adjustment		0

Other change**

On July 11, 2011, OMB approved the Federal Direct Stafford/Ford (Direct Subsidized) Loan and Federal Direct Unsubsidized Stafford/Ford (Direct Unsubsidized) Loan Master Promissory Note (MPN) under OMB Control Number 1845-0007 (expiration date 07/31/2014). The MPN serves as the means by which a borrower agrees to repay a Direct Subsidized Loan and/or Direct Unsubsidized Loan made under the William D. Ford Federal Direct Loan Program (Direct Loan Program). An MPN is a promissory note under which a borrower may receive loans for a single academic year or multiple academic years.

On August 2, 2011, the Budget Control Act (BCA) of 2011 (Public Law 112-25) was signed into law. The BCA amended the Higher Education Act of 1965, as amended, to provide that **(1)** effective for loans made for periods of enrollment (loan periods) beginning on or after July 1, 2012, graduate and professional students will no longer be eligible to receive Direct Subsidized Loans, and **(2)** effective for loans first disbursed on or after July 1, 2012, the U.S. Department of Education (the Department) no longer has the authority to offer an up-front interest rebate or other types of repayment incentives on Direct Loan Program loans.

The Department is requesting approval to make the following changes in the Borrower's Rights and Responsibilities Statement section of the MPN in order to reflect the statutory changes described above: **(1)** In Item 3 (Direct Subsidized Loans and Direct Unsubsidized Loans), add a note stating that graduate and professional students are not eligible to receive Direct Subsidized Loans for any loan period beginning on or after July 1, 2012. **(2)** In Item 7 (Amount you may borrow), revise the paragraph immediately preceding the annual loan limit chart to reflect that the second sentence related to determining subsidized loan eligibility will apply only to undergraduate students, and revise the loan limit chart to show that graduate and professional students will have no eligibility for subsidized loans effective for loan periods beginning on or after July 1, 2012. **(3)** In Item 11 (Repayment incentives), remove language in the first paragraph that suggests the possibility of other repayment incentives being available, and add text to the description of the up-front interest rebate indicating that this repayment incentive is available only for loans first disbursed before July 1, 2012. A revised version of the MPN showing the proposed changes will be included with this 83C request.

Since borrowers who complete the recently approved version of the MPN may receive loans under that MPN both before and after July 1, 2012, the Department believes it is important to make the changes described above as soon as possible, so that borrowers will be informed of the statutory changes that will apply to the terms and conditions of loans they may receive in the future. The requested changes reflect amendments to the law that were made shortly after the current version of the MPN was approved by OMB. These changes affect only certain information about loan terms and conditions that is presented to borrowers and have no impact on the burden associated with this collection.

Signature of Senior Official or designee:	Date: 09/12/2011	**For OIRA Use** _____ _____

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

OMB 83-C