

Federal Perkins Loans

Under proposed §674.34, institutions that participate in the Perkins Loan program (or their servicers) would be required to use the same eligibility criteria that lenders and the Department use in the FFEL and Direct Loan programs, respectively, to define an eligible graduate fellowship program and to establish the eligibility of a Perkins Loan borrower for a graduate fellowship deferment. The proposed regulations would require that a borrower provide the institution with a statement from an authorized official of the borrower’s graduate fellowship program certifying a.) that the borrower holds at least a bachelor’s degree and b.) the borrower’s anticipated completion date of the program.

Section 674.34 – Deferment of Repayment – Federal Perkins Loans

In calendar year 2011 there were 1,104 Perkins borrowers who applied for a graduate fellowship deferment. We estimate that on average it would take the borrower .25 hours (15 minutes) to obtain the certification from an authorized official of the graduate fellowship program and to complete and submit the Perkins loan deferment form multiplied by an estimated 1,104 deferment applications equals 276 hours of increased burden under OMB Control Number 1845-0019.

TOTALS

Responses	1,104
Respondents	1,104
Burden Hours	276