

The regulations in 34 CFR [682.215\(e\)\(2\)](#) and [685.221\(e\)\(2\)](#) require notifications to borrowers from the loan holders once a borrower establishes a partial financial hardship and is placed in an income based repayment (IBR) plan by the loan holder or the Department of Education (Department).

This is a request for extension of the current information collection 1845-0114. The regulations require annual notifications from the loan holder to the borrower. The loan holder will provide the borrower the following information:

- the borrower's scheduled monthly payment amount, and the time period during which that monthly payment amount will apply (annual payment period);
- the requirement for the borrower to annually provide income information (and, in some cases for married FFEL program borrowers, information about the eligible loans of the borrower's spouse) and certify family size;
- an explanation that if the borrower chooses to remain on the IBR plan after the initial year on the plan they will be notified in advance of the date by which the loan holder must receive the above information;
- an explanation of the consequences if the borrower does not annually provide the required information or no longer wishes to repay under the IBR plan; and
- the borrower's option to request, at any time during the borrower's current annual payment period, that the loan holder recalculate the borrower's monthly payment amount if the borrower's financial circumstances have changed and the income amount that was used to calculate the borrower's current monthly payment no longer reflects the borrower's current income.

This information collection only affects the holders of FFEL program loans. The Department does not have repayment plan information in its systems of the FFEL loans that are not part of its portfolio. However, the Department does have repayment plan information for Direct Loans and FFEL loans it holds. We therefore are using the same percentage of loans in an income driven repayment status for both the loans held by the Department (3,460,000 recipients in income contingent, income based, and Pay As You Earn repayment plans divided by 19,800,000 recipients in repayment, deferment, and forbearance status = 17.474747%) and the loans held by FFEL loan holders (14,900,000 recipients in repayment, deferment, and forbearance status x 17.474747% = 2,603,737 recipients who may qualify to participate in IBR) to calculate the number of FFEL borrowers who should receive the annual notice.

#### Reassigned amount of prior burden among the FFEL Loan Holders

|                |     |        |              |     |
|----------------|-----|--------|--------------|-----|
| Not-for-profit | 151 | 11,611 | X 0.08 hours | 929 |
|----------------|-----|--------|--------------|-----|

#### Newly assigned burden among FFEL Loan Holders

|                |     |         |              |       |
|----------------|-----|---------|--------------|-------|
| Not-for-profit | 151 | 104,149 | X 0.08 hours | 8,332 |
|----------------|-----|---------|--------------|-------|

#### TOTALS

|              |         |
|--------------|---------|
| Responses    | 115,760 |
| Respondents  | 151     |
| Burden Hours | 9,261   |