

The Department of Education (the Department) proposes to amend the Student Assistance General Provisions regulations issued under the Higher Education Act of 1965, as amended (HEA), to implement the changes made to the Student Assistance General Provisions regulations – Subpart K – Cash Management §668.164 – Disbursing funds. These proposed regulations are a result of negotiated rulemaking and would add new requirements to the current regulations. These proposed regulations are intended to ensure students and parents have convenient access to their Title IV, HEA program funds, do not incur unreasonable and uncommon financial account fees on these title IV funds and are not led to believe that they must open a particular financial account to receive their Federal student aid.

Section 668.164(d)(4): Selection process

The data indicates that 1,798,756 Title IV recipients with credit balances for the 2013-14 award year would be impacted by this proposed regulation. We estimate that each of the affected Title IV recipients would take, on average, 20 minutes (.33 hours) to review the options presented by the institution or their third-party servicer and to make their selection.

Student choice

# of Respondents:	# of Responses:	# of Burden Hours
1,798,756	1,798,756	593,590

Section 668.164(e): Tier 1 (T1) Arrangements

The data showed that there were 1,538,667 title IV recipients with credit balances at institutions with a T1 arrangement in the 2013-14 award year. We estimate that, on average, each recipient would take 15 minutes (.25 hours) to read about the major features and fees associated with the financial account, information about the monetary and non-monetary remuneration received by the institution for entering into the T1 arrangement, along with the number of students and parents who had financial accounts under the T1 arrangement for the most recent completed year, the mean and median costs incurred by account holders, and whether to provide their consent to the institution.

# of Respondents:	# of Responses:	# of Burden Hours
1,538,667	1,538,667	384,667

Section 668.164(f): Tier 2 (T2) Arrangements

From the data, we projected that there were 260,089 Title IV recipients with credit balances at institutions with T2 arrangements. We estimate that, on average, each recipient would take 15 minutes (.25 hours) to read the institution's consent information and decide whether to provide it or not.

# of Respondents:	# of Responses:	# of Burden Hours
260,089	260,089	65,022

TOTALS

Responses	3,597,512
Respondents	3,597,512
Burden Hours	1,043,279