

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION**

Federal Family Education Loan Program, William D. Ford Federal Direct Loan Program and Federal Perkins Loan Program

Military Service Deferment / Post-Active Duty Student Deferment Request Form

A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a hard copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information, or you may provide a valid URL link or paste the applicable section¹. Specify the review type of the collection (new, revision, extension, reinstatement with change, reinstatement without change). If revised, briefly specify the changes. If a rulemaking is involved, make note of the sections or changed sections, if applicable.**

Sections 428(b)(1)(M) [20 U.S.C. 1078(b)(1)(M)], 455(f)(2) [20 U.S.C. 1087e(f)(2)], and 464(c)(2)(A) [20 U.S.C. 1087dd(c)(2)(A)] of the Higher Education Act of 1965, as amended, (the HEA) provide that a borrower under the Federal Family Education Loan (FFEL) Program, the William D. Ford Federal Direct Loan (Direct Loan) Program, and the Federal Perkins (Perkins) Loan Program may temporarily defer payments on his or her eligible loans while serving on active duty during a war or other military operation or national emergency, and for an additional 180-day period following the conclusion of the borrower's qualifying military service. This deferment is referred to as a "military service deferment."

Section 493D of the HEA [20 U.S.C. 1098f] provides that a FFEL, Direct Loan, or Perkins Loan program borrower who (1) is a member of the National Guard or other reserve component of the U.S. Armed Forces or a retired member of the U.S. Armed Forces and (2) is called or ordered to active duty while enrolled at an eligible school or within six months of having been enrolled may defer repayment of his or her eligible loans for up to 13 months following the conclusion of the borrower's active duty military service, or until the borrower returns to enrolled student status, whichever occurs earlier. This deferment is known as a "post-active duty student deferment."

The regulations that govern the military service deferment and the post-active duty student deferment are in 34 CFR 682.210(t) and (u) [for the FFEL Program], 34 CFR 685.204(e) and (f) [for the Direct Loan Program], and 34 CFR 674.34(h) and (l) [for the Perkins Loan Program]. These regulations require a borrower to request a deferment and to provide information to the loan holder establishing the borrower's eligibility for the deferment.

The U.S. Department of Education (the Department) is requesting an extension of the collection currently approved under OMB No. 1845-0080. The Department is not making any major changes to

¹ Please limit pasted text to no longer than 3 paragraphs.

the military deferment form; rather, it is proposing a number of linguistic changes to be more consistent with other approved loan servicing forms.

A justification for the data elements on the deferment request is included at the end of this supporting statement.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The currently approved deferment request serves as the means by which a borrower submits a request for a military service deferment to his or her loan holder and provides the loan holder with the information needed to establish that the borrower meets the eligibility requirements for the deferment. The revised deferment request form will continue to be used for this purpose, and will also serve as the means by which a borrower requests a post-active duty student deferment, and by which the Department identifies Direct Loan borrowers who qualify for the no accrual of interest benefit for active duty service members.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision of adopting this means of collection. Also describe any consideration given to using technology to reduce burden.

The collection of information does not involve the use of technological processes such as electronic submissions. A borrower must establish his or her eligibility for the deferment either by obtaining a certification from a military official on the deferment request form, or by providing the loan holder with a copy of the borrower's military orders. Because of the requirement for a third-party certification or submission of additional documentation, most borrowers prefer to use the United States Postal Service or an alternative mail delivery service currently provide the only practical means for a borrower to submit a military service deferment / post-active duty student deferment request.

At the option of the loan holder or loan servicer, however, both forms could be adapted for online use by mapping the data elements to a web form and provided for the scanning and uploading of the third-party certification or supporting documentation.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

There is no similar information already available from other sources that can be used for the purposes described in Item 2.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden. A small entity may be (1) a small business which is deemed to

be one that is independently owned and operated and that is not dominant in its field of operation; (2) a small organization that is any not-for-profit enterprise that is independently owned and operated and is not dominant in its field; or (3) a small government jurisdiction, which is a government of a city, county, town, township, school district, or special district with a population of less than 50,000.

No small businesses are affected by this information collection.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If a borrower did not complete either request, there would be no means by which the loan holder could determine the borrower's eligibility for a military service deferment or post-active duty student deferment, or the borrower's eligibility for the Direct Loan Program's no accrual of interest benefit for active duty service members.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results than can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or that unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

The collection of this information will be conducted in a manner that does not involve any of the guidelines in 5 CFR 1320.5(d)(2).

- 8. As applicable, state that the Department has published the 60 and 30 Federal Register notices as required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instruction and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

The paperwork clearance process provides for two public comment periods. A notice for the initial 60-day public comment period was published in the Federal Register on June 22, 2016 (81 FR 40682). In response to this notice, one commenter representing FFEL Program participants submitted recommendations for a number of changes to the form. We accepted the majority of the recommendations, and the changes that were made in response to the public comments are reflected in a revised draft of the deferment request that will be posted for a second 30-day public comment period.

- 9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees with meaningful justification.**

No payments or gifts will be provided to respondents.

- 10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If personally identifiable information (PII) is being collected, a Privacy Act statement should be included on the instrument. Please provide a citation for the Systems of Record Notice and the date a Privacy Impact Assessment was completed as indicated on the IC Data Form. A confidentiality statement with a legal citation that authorizes the pledge of confidentiality should be provided.² If the collection is subject to the Privacy Act, the Privacy Act statement is deemed sufficient with respect to confidentiality. If**

² Requests for this information are in accordance with the following ED and OMB policies: Privacy Act of 1974, OMB Circular A-108 – Privacy Act Implementation – Guidelines and Responsibilities, OMB Circular A-130 Appendix I – Federal Agency Responsibilities for Maintaining Records About Individuals, OMB M-03-22 – OMB Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002, OMB M-06-15 – Safeguarding Personally Identifiable Information, OM:6-104 – Privacy Act of 1974 (Collection, Use and Protection of Personally Identifiable Information)

there is no expectation of confidentiality, simply state that the Department makes no pledge about the confidentiality of the data.

The deferment request form includes a Privacy Act Notice that (1) informs the respondent of the statutory authority for the information collection; (2) explains that disclosure of the requested information is voluntary, but is required in order for the deferment request to be processed; and (3) identifies the third parties to whom the information may be disclosed, and explains the circumstances under which such disclosures may occur.

- 11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. The justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

This information collection does not request any sensitive information.

- 12. Provide estimates of the hour burden of the collection of information. The statement should:**

- **Indicate the number of respondents by affected public type (federal government, individuals or households, private sector – businesses or other for-profit, private sector – not-for-profit institutions, farms, state, local or tribal governments), frequency of response, annual hour burden, and an explanation of how the burden was estimated, including identification of burden type: recordkeeping, reporting or third party disclosure. All narrative should be included in item 12. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in the ROCIS IC Burden Analysis Table. (The table should at minimum include Respondent types, IC activity, Respondent and Responses, Hours/Response, and Total Hours)**
- **Provide estimates of annualized cost to respondents of the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

The total estimated annual reporting hour burden for this information collection is approximately 8,000 hours. The burden estimate was calculated as follows:

Estimated annual number of respondents:	16,000
Number of responses per borrower:	x 1
Hours per response:	x <u>0.5 (30 minutes)</u>

Annual hour burden: 8,000 hours

The total estimated cost burden for this collection is \$7,520. This estimate was calculated by multiplying the estimated number of respondents by the current cost of postage required to return the deferment request form (\$0.47).

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14.)

- The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and acquiring and maintaining record storage facilities.
- If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government or (4) as part of customary and usual business or private practices. Also, these estimates should not include the hourly costs (i.e., the monetization of the hours) captured above in Item 12

Total Annualized Capital/Startup Cost :
Total Annual Costs (O&M) : _____

Total Annualized Costs Requested :

There are no startup costs to respondents.

- 14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

There is no significant cost to the federal government associated with military deferment requests submitted by FFEL, Direct Loan, and Perkins borrowers, since FFEL Program loan holders, Direct Loan servicers, and Perkins schools distribute the form, collect the information, and process the deferment requests.

- 15. Explain the reasons for any program changes or adjustments. Generally, adjustments in burden result from re-estimating burden and/or from economic phenomenon outside of an agency's control (e.g., correcting a burden estimate or an organic increase in the size of the reporting universe). Program changes result from a deliberate action that materially changes a collection of information and generally are result of new statute or an agency action (e.g., changing a form, revising regulations, redefining the respondent universe, etc.). Burden changes should be disaggregated by type of change (i.e., adjustment, program change due to new statute, and/or program change due to agency discretion), type of collection (new, revision, extension, reinstatement with change, reinstatement without change) and include totals for changes in burden hours, responses and costs (if applicable).**

The Department is requesting an extension of the current collection. We are not anticipating any change in the number of filings and do not anticipate a change in the current burden hour estimate of 8,000 hours.

- 16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

The results of this information collection will not be published.

- 17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

The Department is not seeking this approval.

- 18. Explain each exception to the certification statement identified in the Certification of Paperwork Reduction Act.**

The Department is not requesting any exceptions to the Certification for Paperwork Reduction Act Submissions of OMB Form 83-1.

Justification of Data Elements**Military Deferment Request**

<u>Data Element</u>	<u>Justification</u>
Section 1 - Borrower Information	
Social Security Number	Used for borrower identification.
Name	Used for borrower identification.
Address	Used as the borrower's official address to which correspondence related to the deferment is sent
City, State, Zip	Same as "Address".
Telephone - Primary	Used to contact the borrower if further information or clarification of responses is required.
Telephone - Alternate	Used to contact the borrower if further information or clarification of responses is required.
E-mail (optional)	Used to contact the borrower if further information or clarification of responses is required.
Section 2 - Deferment Request	
Check box for military service deferment.	Collects the borrower's request for the military service deferment.
Check box for the post-active duty student deferment.	Collects the borrower's request for the post-active duty student deferment.
Section 3 - Borrower Certifications and Authorizations	
Signature of Borrower or Borrower's Representative and Date	Used to certify the validity of the information provided by the borrower. (For the military service deferment, the borrower's designee may sign the form if the borrower has been deployed on a military operation and is not readily available to complete the deferment request.)
Name of Representative (if applicable) and Relationship	Used for identification of the individual who is signing

to Borrower	the deferment request on behalf of the borrower.
Address of Representative	In the absence of the borrower, used as the official address to which correspondence related to the deferment is sent.
Telephone Number of Representative	In the absence of the borrower, used to contact the borrower's representative if further information or clarification of responses is required.
Section 4 - Authorized Official's Certification	
(1) and (2). Collects beginning and ending dates of military service.	Used to collect the borrower's dates of military service used to determine the deferment period.
(3) Check box to identify borrower military status.	Used to determine eligibility of borrower for deferment.
(4) Check box to identify type of military service	Used to determine eligibility of borrower's service for deferment.
(5) Check box to indicate whether the borrower served in an area of hostilities in which service qualifies for special pay.	Used to identify borrowers who qualify for the Direct Loan Program's no accrual of interest benefit for active duty service members.
Name of Military Branch or National Guard Component	Used to identify the type of military service that is the basis for the borrower's deferment request.
Address	Used to contact certifying official if additional information or clarification is needed.
City, State, Zip	Same as "Address".
Name/Title of Authorized Official	Used to identify the individual who is certifying the borrower's eligibility for the deferment.
Telephone	Same as "Address".
Authorized Official's Signature and Date	Used to certify the borrower's eligibility for the deferment.