

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION
Deferment Request Forms**

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.

The Higher Education Act of 1965, as amended (the HEA) established the William D. Ford Federal Direct Loan (Direct Loan) Program under Title IV, Part D and the Federal Family Education Loan (FFEL) Program under Title IV, Part B, and the Federal Perkins Loan (Perkins Loan) Program under Title IV, Part E. Section 455(a)(1) of the HEA provides that unless otherwise specified, Direct Loan Program loans are subject to the same terms and conditions as loans made under the Federal Family Education Loan (FFEL) Program. Sections 428(b)(1)(M) and 428B(d)(1) of the HEA provide that FFEL Program borrowers who meet certain eligibility requirements may temporarily defer (postpone) repayment of their loans. In accordance with §455(a)(1), these same deferment options are available to Direct Loan Program borrowers. In addition, these deferments are available to borrowers in the Perkins Loan Program under 34 CFR 674.34, 674.35, 674.36, and 674.37.

With the exception of in-school deferments (see Item 3 below), the applicable regulations require a borrower to request a deferment from the U.S. Department of Education (the Department) and, in most cases, to provide additional information or a certification from a third party that establishes the borrower's eligibility for the deferment.

This collection includes seven separate deferment request forms that serve as the means by which a borrower requests a deferment and provides the necessary information and/or certifications to establish his or her eligibility for the deferment. However, based on the lack of usage in the past 12 months and eligibility requirements the Department is requesting the discontinuation of the Temporary Total Disability Deferment Request, form TDIS.

The remaining six deferment request forms are:

1. In-School Deferment Request – SCH. Used by borrowers to request a deferment while they are enrolled at least half time at an eligible institution, and by certain parent Direct PLUS Loan borrowers to request a deferment while the student for whom they obtained a Direct PLUS Loan is enrolled at least half time.

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

2. Rehabilitation Training Deferment Request – RHT. Used by borrowers to request a deferment while they are engaged in a rehabilitation training program.
3. Graduate Fellowship Deferment Request – GFL. Used by borrowers to request a deferment while they are engaged in a graduate fellowship program.
4. Economic Hardship Deferment Request – HRD. Used by borrowers to request a deferment while they are experiencing an economic hardship.
5. Unemployment Deferment Request – UNEM. Used by borrowers to request a deferment while they are seeking but unable to find employment.
6. PLUS Deferment Request – PLUS. Used by PLUS borrowers to request a deferment while the student on whose behalf the parent borrowed is in-school.

NOTE: Some of the deferments listed above are available only to borrowers who borrowed Direct Loan, FFEL Program, or Federal Perkins Loan as of a specific date. This restriction is explained on the applicable deferment request forms included with this submission.

The Department is requesting a revision of the currently approved collection, based on updated usage information that just became available. We believe that the decrease in usage (as noted in item 12) is due to the availability and use of the variety of Income-Driven Repayment Plans that are now in use by many borrowers. We are retaining the simplified and streamlined forms so that they are easier for borrowers to complete.

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 forms are used by borrowers to request deferments on their loans. The forms also collect the information that is required for the loan holder to determine whether the borrower meets the eligibility requirements for the requested deferment. The deferment request forms continue to be used for these purposes.

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.

This collection of information does not involve the use of technological processes such as electronic submission of requests. Except for certain borrowers requesting unemployment deferments who may qualify for the deferment based on a self-certification that they have registered with an employment agency, borrowers must either submit supporting documentation to establish their eligibility for a deferment or have a third party (such as a school official) certify their eligibility for the deferment. As a result, electronic submission of most deferment requests is not feasible at this time.

In-school Deferment and PLUS Deferment Requests

Although in most cases a borrower must submit a deferment request with the appropriate documentation to the loan holder, the loan holder may grant an in-school deferment without a request from the borrower based on information that the Department obtains from other sources confirming that the borrower is enrolled at least half time at an eligible institution. This reduces burden on borrowers. In such cases, the loan holder notifies the borrower that the deferment has been granted and provides the borrower with the option of canceling the deferment and continuing to make payments on his or her loan.

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.

With the exception of the in-school deferment (see Item 3), there is no information already available from other sources that can be used to establish a borrower's eligibility for a deferment.

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.

The frequency with which a borrower must request a deferment is determined in accordance with statutory and regulatory requirements that are explained on each deferment request form. Less frequent data collection would not allow loan holders to process borrower requests for deferment.

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.

This information collection does not involve any of the above conditions.

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 Department considered comments from the public when developing the currently approved forms. The Department published a 60 day request for public comment on April 2, 2018. A total of 7 comments were received. Five of these comments were outside of the scope of this information collection. One was for a different Department collection and one pertained to this collection. Along with the one public comment, whose reply from the Department is attached, we analyzed updated usage information for the forms in this information collection and made updates to the forms and the burden estimates for this information collection.

We are requesting a 30-day public comment period be published in the Federal Register.

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

The forms include a Privacy Act Notice that (1) informs borrowers of the statutory authority for the information collection; (2) explains that the disclosure of the information is voluntary, but is required in order to qualify for a loan discharge; and (3) identifies the third parties to whom the information may be disclosed and explains the circumstances under which those 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.

The Economic Hardship Deferment Request asks for income information. This information may be considered sensitive by some individuals, but it is needed to establish the borrower's eligibility for the deferment. The deferment forms do not otherwise 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.

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)

- 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 Department has re-estimated the total annual number of respondents for this collection to be 683,903, a decrease of 527,461 from the previously approved 1,211,364 respondents. Research shows that the vast majority of the PLUS and In-School Deferments are properly granted using information provided by the institution through the National Student Loan Data System (NSLDS). The regulations allow for loan holders/servicers to use the enrollment information from NSLDS to automatically apply in-school deferments for student and parent loans. The regulations also require that the holder/servicer contact the borrower to inform them of this action and allow the borrower to refuse the deferment and make payments instead. The estimated response time for each of the six deferment forms is 0.16 hours (10 minutes), with one response per respondent. This equates to a total estimated reporting burden of 109,426 hours, a decrease of 84,392 from the previously approved 193,818 hours. The burden estimate for each form was calculated as follows:

Economic Hardship Deferment Request

Estimated annual number of respondents:	166,766
Number of responses per respondent:	x 1
Hours per response:	x 0.16
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Annual hour burden:	26,683

Rehabilitation Training Deferment Request

Estimated annual number of respondents:	366
Number of responses per respondent:	x 1
Hours per response:	x 0.16
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Annual hour burden:	59

In-School Deferment Request

Estimated annual number of respondents:	105,598
Number of responses per respondent:	x 1
Hours per response:	x 0.16
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Annual hour burden:	16,896

Graduate Fellowship Deferment Request

Estimated annual number of respondents:	4,655
Number of responses per respondent:	x 1
Hours per response:	x 0.16
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Annual hour burden:	745

Unemployment Deferment Request

Estimated annual number of respondents:	368,608
Number of responses per respondent:	x 1
Hours per response:	x 0.16
Annual hour burden:	58,977

PLUS Deferment Request

Estimated annual number of respondents:	37,910
Number of responses per respondent:	x 1
Hours per response:	x 0.16
Annual hour burden:	6,066

There are no annual costs to respondents associated with operating or maintaining systems or purchasing services.

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	:	\$0.00
Total Annual Costs (O&M)	:	\$0.00

Total Annualized Costs Requested : \$0.00

There are no capital/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 related to these forms from FFEL Program, Direct Loan, or Perkins Loan borrowers, since loan holders and servicers distribute and process the loan discharge applications, and Department servicers do not specifically charge the government for distributing these forms.

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).

This is a request for a revision of the current information collection 1845-0011. After the re-evaluation of the usage of these forms, the Department is adjusting the burden hours to 109,426. This is a decrease of 84,392 hours from the previous OMB approved burden. The updated respondents and responses are 683,903 a difference of 527,461 from the previous OMB approved number of 1,211,364. The forms continue to be presented in the simplified and reformatted common layout for these types of requests. There has been no change in the underlying statutes or regulations which support these request forms.

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".