

SUPPORTING STATEMENT - PART A

DoD Education Loan Repayment Program– 0704-0152

1. Need for the Information Collection

Information collection is needed from the Department of Education, the U.S. Public Health Service or the lending financial institution(s) for the purpose of verifying the value of the loan and to effect payment to the lending institution. The Internal Revenue Service needs the collected information for the purpose of reporting taxable income and the credit reporting agencies to assist in the recovery of any improper payments made toward delinquent debts owed by a beneficiary or former beneficiary.

Authority to collect information comes from 10 U.S.C. 2171, Education Loan Repayment Program: Enlisted Members on Active Duty in Specified Military Specialties; 2173, Education Loan Repayment Program: Commissioned Officers in Specified Health Professions; 16301, Education Loan Repayment Program: Members of Selected Reserve; 16302, Education Loan Repayment Program: Health Professions Officers Serving in Selected Reserve with Wartime Critical Medical Skill Shortages; 16303, Loan Repayment Program: Chaplains Serving in the Selected Reserve, and E.O. 9397, Social Security Number (SSN).

The information collection requirement is necessary for Military Services to pay a portion of Service member student loan(s). The information provided is reviewed by Military Service personnel record custodians to verify that the Service member meets eligibility requirements.

2. Use of the Information

This form is provided to active-duty Service members and reserve component members (reservists and National Guard) who have been provided with the option to pay back their student loans as part of their benefit package. These Service members receive the DD Form 2475 from their Service personnel office. They fill out their personal information, then submit the form to their loan servicing agency.

These loan servicing agencies – any lending organization guaranteeing the student loans – are the respondents. They complete Sections 3 and 4 of the DD 2475, which provide the information on the loan and sign as the certifying officer on the form. The DD 2475 is then returned to the service officer, who submits the form and any additional documentation (service contract, promissory notes) to their service personnel office. The service will verify the data that has been provided and then submit the DD 2475 to the Defense Financial Accounting Service for payment. DFAS pays the loan services directly on behalf of the service member.

3. Use of Information Technology

The information collection of this form will be at 90% collected electronically. Digital transmission of the document will be used predominantly in the completion of this form. Financial institutions who cannot digitally complete the form, will submit scanned copies of the form.

In the future, Service members will go into a secure online system to sign an electronic DD 2475, every year. Once signed, within 30 days of payment due date, the National Guard Incentive Management System (GIMS) will query from the Department of Education, the soldier's National Student Loan Database System information (NSLDS). This information will be downloaded onto a file and then automatically populated into GIMS. GIMS will then check the soldier's enlisted records to verify eligibility remains and then alert the GIMS user at the Unit level that it's time to make payment. Afterwards, the GIMS user at the Unit level verifies member eligibility and approves payment by sending it to the State level, who approves payment and sends it to the National Guard Bureau level in Washington, DC for payment authorization. GIMS will then send payment data to DFAS's payment system, where EFT payment (and checks when necessary) are paid to the lender.

4. Non-duplication

The information obtained through this collection is unique and is not already available for use or adaptation from another cleared source.

5. Burden on Small Businesses

This information collection does not impose a significant economic impact on a substantial number of small businesses or entities.

6. Less Frequent Collection

Department of Defense Service members, serving honorably, with loan repayment contractual stipulations are required to annually certify their civilian education loan terms. Upon validation of the loan terms, the Department of Defense is enabled to disburse funds to the appropriate loan holder on behalf of the Service member. If the collection is less frequent, Service members may be in violation of loan terms with the loan holder.

7. Paperwork Reduction Act Guidelines

This collection of information does not require collection to be conducted in a manner inconsistent with the guidelines delineated in 5 CFR 1320.5(d)(2).

8. Consultation and Public Comments

Part A: PUBLIC NOTICE

A 60-Day Federal Register Notice for the collection published on Friday, June 29, 2018. The 60-Day FRN citation is 83 FRN 30704.

No comments were received during the 60-Day Comment Period.

A 30-Day Federal Register Notice for the collection published on Monday, September 24, 2018. The 30-Day FRN citation is 83 FRN48295.

Part B: CONSULTATION

No additional consultation apart from soliciting public comments through the 60-Day Federal Register Noticed was conducted for this submission.

9. Gifts or Payment

No payments or gifts are being offered to respondents as an incentive to participate in the collection.

10. Confidentiality

All data is protected by the Privacy Act of 1974 and is protected according to the regulations therein and by related DoD directives and instructions. The Privacy Act statement is listed near the top of the form as notification to the respondent. A System of Record Notice is required and can be accessed at the below web addresses:

Air Force: <http://dpcl.d.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/569821/f036-af-pc-c/>

Army: <http://dpcl.d.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570051/a0600-8-104b-ahrc/>

Army National Guard: <http://dpcl.d.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570052/a0600-8-104b-ngb/>

Navy: <http://dpcl.d.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570310/n01070-3/>

Marine Corps: <http://dpcl.d.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570626/m01070-6/>

A Privacy Impact Assessment (PIA) is attached to this collection package.

11. Sensitive Questions

The Service member's Social Security Number (SSN) is used to ensure accuracy of data involving the specified individual applicant. However, if the requested information is not provided, the Department of Defense will not be able to verify the loan amount or status and make the annual payment requested. The form states this information is voluntary; however, if the SSN is not provided, processing of the Service member's application may be delayed. A Social Security Justification Memo is attached to this package.

The lender (Department of Education, U.S. Public Health Service, or other financial institution) is identified so that the loan amount and status can be verified. The lender

returns the completed form to the Service member's unit for additional processing. Service member information is provided to the Internal Revenue Service for the purpose of reporting taxable income, and to the credit reporting agencies to assist in the recovery of any improper payments made toward delinquent debts owed by a beneficiary or former beneficiary. The DoD Blanket Routine Uses found at http://privacy.defense.gov/blanket_uses.shtml may apply to this collection.

12. Respondent Burden and its Labor Costs

a. Estimation of Respondent Burden

1. [DD 2475 – DOD EDUCATIONAL LOAN REPAYMENT PROGRAM (LRP) ANNUAL APPLICATION]

- a. Number of Respondents: 44,000
- b. Number of Responses per Respondent: 1
- c. Number of Total Annual Responses: 44,000
- d. Response Time: .167 hours
- e. Respondent Burden Hours: 7,333 hours

2. Total Submission Burden

- a. Total Number of Respondents: 44,000
- b. Total Number of Annual Responses: 44,000
- c. Total Respondent Burden Hours: 7,333 hours

b. Labor Cost of Respondent Burden

1. [DD 2475 – DOD EDUCATIONAL LOAN REPAYMENT PROGRAM (LRP) ANNUAL APPLICATION]

- a. Number of Total Annual Responses: 44,000
- b. Response Time: .167 hours
- c. Respondent Hourly Wage: \$11.98/hour
- d. Labor Burden per Response: \$2.00
- e. Total Labor Burden: \$88,029.04

2. Overall Labor Burden

- a. Total Number of Annual Responses: 44,000
- b. Total Labor Burden: \$88,029.04

The Respondent hourly wage was determined by using the Department of Labor Wage Website (<http://www.dol.gov/dol/topic/wages/index.htm>)

13. Respondent Costs Other than Burden Hour Costs

There are no annualized costs to respondents other than the labor burden costs addressed in Section 12 of this document to complete this collection.

14. Cost to the Federal Government

a. Labor Cost to the Federal Government

1. [DD 2475 – DOD EDUCATIONAL LOAN REPAYMENT PROGRAM (LRP)
ANNUAL APPLICATION]

- a. Number of Total Annual Responses: 44,000
- b. Processing Time per Response: .167 hours
- c. Hourly Wage of Worker(s) Processing Responses: \$11.98/hour
- d. Cost to Process Each Response: \$2.00
- e. Total Cost to Process Responses: \$88,029.04

2. **Overall Labor Burden to Federal Government**

- a. Total Number of Annual Responses: 44,000
- b. Total Labor Burden: \$88,029.04

b. Operational and Maintenance Costs

- a. Equipment: \$0
- b. Printing: \$0
- c. Postage: \$0
- d. Software Purchases: \$0
- e. Licensing Costs: \$0
- f. Other: \$0
- g. Total: \$0

- 1. Total Operational and Maintenance Costs: \$0
- 2. Total Labor Cost to the Federal Government: \$88,029.04
- 3. Total Cost to the Federal Government: \$88,029.04

15. Reasons for Change in Burden

This is a reinstatement with change to an expired collection. A three-year expiration date extension is requested for the form. The burden is increasing to more accurately reflect the number of respondents who fill out the form in any given year. No other changes are noted or requested for the form.

16. Publication of Results

The results of this information collection will not be published.

17. Non-Display of OMB Expiration Date

We are not seeking approval to omit the display of the expiration date of the OMB approval on the collection instrument.

18. Exceptions to “Certification for Paperwork Reduction Submissions”

We are not requesting any exemptions to the provisions stated in 5 CFR 1320.9.