


## PAPERWORK REDUCTION ACT CHANGE WORKSHEET

|  |  |   |
|--|--|---|
| <b>Agency/Subagency</b><br>U.S. Department of Education / Federal Student Aid  | <b>OMB Control Number</b><br><br>1845-0007 |   |
| Enter only items that change<br><div style="display: flex; justify-content: space-between;"> <span>Current Record</span> <span>New Record</span> </div>  |  |   |
| <b>Agency form number(s)</b>   |  |   |
| <b>Annual reporting and record keeping hour burden</b>   |  |   |
| Number of respondents  |  |   |
| Total annual responses   |  |   |
| Percent of these responses collected electronically  |  |   |
| Total annual hours   |  |   |
| <b>Difference</b>  |  |   |
| <b>Explanation of difference</b>   |  |   |
| Program Change   |  |   |
| Adjustment   |  |   |
| <b>Annual reporting and record keeping cost burden (in thousands of dollars)</b>   |  |   |
| Total annualized capital/startup costs   |  |   |
| Total annual costs (O&M)   |  |   |
| Total annualized cost requested  |  |   |
| <b>Difference</b>  |  |   |
| <b>Explanation of difference</b>   |  |   |
| Program Change   |  |   |
| Adjustment   |  |   |
| <b>Other change**</b><br>Federal Student Aid (FSA) is requesting a change to the approved Master Promissory Note (MPN) confirmation processes. The Department is requesting that the information collection for the Direct Loan Master Promissory Note (MPN) be revised to include the Annual Student Loan Acknowledgment confirmation processes. See full explanation attached. |  |   |
| <b>Signature of Senior Officer or designee:</b><br>   | <b>Date:</b><br>2-10-2020                  | <b>For OIRA Use</b><br><br><hr/><br><hr/> |

\*\*This form cannot be used to extend an expiration date  
OMB 83-C

## Request for 83C for 1845-0007 Direct Loan Program Promissory Notes

Federal Student Aid (FSA) is requesting a change to the approved Master Promissory Note (MPN) confirmation processes. All MPN confirmation processes will require student and parent borrowers to view how much they currently owe in federal student loans, and to acknowledge that they have seen this amount before a school can make a first disbursement of the first Direct Loan that a student or parent borrower received for each new award year. The confirmation process does not apply to PLUS Loan endorsers or Consolidation Loan borrowers.

Under Section 432(m) of the Higher Education Act of 1965, as amended, students and parents may receive multiple Direct Loans under a single MPN through a confirmation process approved by the Secretary. The new component of the approved MPN confirmation processes, called the "Annual Student Loan Acknowledgment" process will be implemented on FSA's StudentAid.gov website. While the confirmation processes are operationally separate from actual MPN form, they are legally tied together and required to obtain the loan.

Upon completion of the MPN, the borrower will be directed to the StudentAid.gov website, where after logging in using their FSA-ID, they will be able to access the Annual Student Loan Acknowledgment (ASLA).

- If they are a new borrower, they will be presented with average amount of borrowing by students based on the institution and educational program for which they have completed the MPN. This data is based on integrated information from the College Scorecard.
- If the borrower has outstanding loans, they will be presented with an overview of their current outstanding federal student loan debt, the maximum remaining eligibility as well as contact information for their current loan servicer.

In both cases the borrower must indicate they have reviewed the information presented by clicking an acknowledgment button. This must be completed before the institution will be allowed to disburse the funds to the borrower. The institution will be notified by FSA of a borrower's completion of this requirement.

The attached screenshots are for the prototype information, and only contain dummy data for illustration purposes. The actual screens will be personalized to the user.

There is no additional information being required to complete the MPN. Instead, a borrower must acknowledge the presentation of his or her outstanding debt or averaged educational program debt at their institution. We do not believe it will require more than 2 minutes to complete this task. The current MPN burden assessment allocates 30 minutes for completion of the MPN and FSA records indicate an average of 15 minutes is currently used by MPN completers. This requirement should not increase the number of respondents or responses nor will it increase the current estimated burden.