

Comment ED-2021-SCC-0059-0004

Ben Reppe

A number of the deferment plans provide duplicative benefits as the IDR plan and are based on the same situation - namely, lack of, or limited income, in other words - hardship. Therefore I suggest collapsing several of these non-enrollment related deferment options into IDR. Repayment should be encouraged before deferment whenever possible.

*FSA Response*

*Thank you for taking the time to comment about the information collection regarding Deferment Requests, 1845-0011. We appreciate your interest in this process. The deferment forms noted in this collection are established under the regulations for the William D. Ford Federal Direct Loan Program, the Federal Family Education Loan Program and the Federal Perkins Loan Program. The deferment requests are distinct and different from those of the Income-Driven Repayment (IDR) options, which are also specified in the regulations. Deferment is identified as a temporary solution and allows a borrower to immediately reduce or pause their payment on their own terms to address immediate life concerns unlike IDR which does not guarantee a zero-dollar payment and requires an application process based on the borrower's income such that it cannot provide the same immediate relief. A borrower need not be enrolled in an IDR plan to qualify and have need to access one of the Deferment Request forms. While no changes will be implemented to the forms based on your suggestion, it is worth noting that we include multiple explanations of the advantages of IDR over deferment or forbearance on the informational page about deferment and forbearance. Again, thank you for time in reviewing this information collection request.*

Comment ED-2021-SCC-0059-0005

Richard M

- (1) Is this collection necessary to the proper functions of the Department;  
Yes, the collection of this information is necessary to the proper evaluation of applicants for approval or denial of requests for deferral of repayment. Where this information is absent, there may exist additional subjectivity in the basis and rationale for determination of the outcome of such request. By requiring this information ED may be in a better provide a more universally just and equitable decision on applications as opposed to permitting reviewers to evaluate and inject their own subjectivity to the evaluation process.

*FSA Response*

*Thank you for your support of this information collection regarding Deferment Requests, 1845-0011.*

- (2) Will this information be processed and used in a timely manner;  
There is no reason to believe that the requirement of this information will increase the time required to evaluate an application; on the contrary, it seems as if it would permit a quicker evaluation of applications based upon a specified set of requirements.

*FSA Response*

*Thank you for your support of this information collection regarding Deferment Requests, 1845-0011.*

- (3) Is the estimate of burden accurate

Provided that the applicant has all of the relevant information on hand prior to starting the application, all of the forms require approximately 10 minutes to complete. The time burden appears to be accurate. Additionally, the burden of disclosing the information is minimal because students are required to report their income when they originally apply for the financial aid. Modification of the terms would justifiably be expected to require the same or similar burden.

*FSA Response*

*Thank you for your support of this information collection regarding Deferment Requests, 1845-0011.*

- (4) How might the Department enhance the quality, utility, and clarity of the information to be collected

Utility may be better enhanced through the promulgation of an additional procedural policy outlining exactly what an application must contain, what it cannot contain, and the weight given to each response. With the additional of more PII and private information, there should be some benefit afforded to those applicants who disclose the information and this can be done through the publication of the criteria for approval of these requests. This promotes expected consistency in the evaluation of the deferral applications.

*FSA Response*

*The requirements for the specific information requested is in the regulations and echoed in the instructions for the various Deferment Forms. FSA works to minimize the need of a borrower to provide any more Personally Identifiable Information than is necessary to allow for review of eligibility for any Deferment Request. No change will be made to any of the forms based on this comment.*

- (5) How might the Department minimize the burden of this collection on the respondents, including through the use of information technology.

It may be beneficial to emphasize the utility of the information and how it will be used to expedite the process of the evaluation of a request. However, to minimize the burden, the failure to provide the private information could act, not as a "poison pill" resulting in the denial of a request, but instead a mere factor that provides for a more hasty resolution and a predictable outcome. Individuals could still be permitted to apply with the other information but it may take longer and have a less predictable result. While this may be a more convoluted or complicated process, it would provide applicants with discretion as to the information they disclose and will be considered and will still result in a more optimized process (though not as optimized as the "poison pill" requirement)

*FSA Response*

*With the exception of the In-School Deferment, Deferment Request forms must be used to request a deferment as the forms identify all of the required information. The forms will not be reviewed for an eligibility determination if required information is not provided. This avoids the issue of non-standard deferment request being submitted. No change will be made to any of the forms based on this comment.*