

The regulations in 34 CFR 682.215(e)(2) require notifications to borrowers from the loan holders once a borrower establishes a partial financial hardship and is placed in an income based repayment (IBR) plan by the loan holder or the Department of Education (Department). The regulations in 34 CFR 682.215(e)(2) have not changed. The regulations in 34 CFR 685.221 were rewritten through the Negotiated Rulemaking process that culminated in a Final Rule published July 10, 2023 with an effective date of July 1, 2024 but the requirements of previous 685.221(e)(2) were moved to 685.209(l) with the notification to borrowers information.

Due to the suspension of the collection of federal student loans, the Department lacks sufficient data to allow for more accurate updates to the usage of the regulations. Therefore this is a request for extension without change of the current information collection 1845-0114.

The regulations require annual notifications from the loan holder to the borrower. The loan holder will provide the borrower the following information:

- the borrower’s scheduled monthly payment amount, and the time period during which that monthly payment amount will apply (annual payment period);
- the requirement for the borrower to annually provide income information (and, in some cases for married FFEL program borrowers, information about the eligible loans of the borrower’s spouse) and certify family size;
- an explanation that if the borrower chooses to remain on the IBR plan after the initial year on the plan they will be notified in advance of the date by which the loan holder must receive the above information;
- an explanation of the consequences if the borrower does not annually provide the required information or no longer wishes to repay under the IBR plan; and
- the borrower’s option to request, at any time during the borrower’s current annual payment period, that the loan holder recalculate the borrower’s monthly payment amount if the borrower’s financial circumstances have changed and the income amount that was used to calculate the borrower’s current monthly payment no longer reflects the borrower’s current income.

This information collection only affects the holders of FFEL program loans. The Department does not have repayment plan information in its systems of the FFEL loans that are not part of its portfolio. However, the Department does have income-based repayment with partial financial hardship information for Direct Loans and FFEL loans it holds. This information is available in the Data Center on the website [studentaid.gov](https://studentaid.gov). We therefore are using the same percentage of loans in an income driven repayment with partial financial hardship status, as published for the second quarter of fiscal year 2018 for federally managed loans (FFEL and DL) held by the Department (2,280,000 recipients in an IBR repayment plan with partial financial hardship) divided by 25,200,000 recipients in repayment, deferment, and forbearance status = 9.04%) and the loans held by FFEL loan holders (10,600,000 recipients in repayment, deferment, and forbearance status x 9.04% = 958,240 recipients who may qualify to participate in IBR) to calculate the number of FFEL borrowers who should receive the annual notice.

We estimate the costs to Not-for-Profit institutional respondents, based on \$44.41 per burden hour, would total \$ 272,588.58 (6,138 hours x \$44.41).

#### TOTALS

Responses	76,659
Respondents	107
Burden Hours	6,138