

This is a request for the revision of the OMB approval for the reporting and recordkeeping requirements contained in 34 CFR 601.10, 601.11, and 601.40 related to the administration of the Institution and Lender Requirements Relating to Education Loans. The information collections in these regulations are necessary to determine eligibility to receive program benefits and to prevent fraud and abuse of program funds.

Section 601.10 – Preferred lender arrangement disclosures.

The regulations require that a covered institution or an institution-affiliated organization of a covered institution that participates in a preferred lender arrangement must provide a variety of disclosures identified on the model disclosure form developed by the Secretary for each type of education loan that is offered pursuant to a preferred lender arrangement.

We estimate that 1,995,638 borrowers will receive this model disclosure form and the burden to each borrower to be .17 hours.

$$1,995,638 \text{ borrowers} \times .17 \text{ hours (10 minutes)} = 339,258 \text{ hours}$$

Section 601.11 – Private education loan disclosures and self-certification form.

The regulations require a covered institution, or an institution-affiliated organization of a covered institution, to provide to a prospective borrower private education loan disclosures. The information regarding private education loans must be presented in such a manner as to be distinct from information regarding Title IV, HEA program loans.

We estimate 3,850,308 borrowers of private education loans and we estimate the burden on the borrower to obtain and complete the self-certification form be .25 hours per private loan.

$$3,850,308 \times .25 \text{ hours} = 962,577 \text{ hours}$$

Section 601.40 – Lender responsibilities.

The regulations require FFEL lenders to provide borrowers the disclosures required under current sections 682.205(a) and (b).

We estimate there will be 3,850,308 borrowers of private education loans from lenders. We estimate the burden on borrowers to be .08 hours (5 minutes) per loan.

$$3,850,308 \times .08 \text{ hours/borrower} = 308,025 \text{ hours}$$

TOTALS

Responses	9,696,254
Respondents	9,696,254
Burden Hours	1,609,860