



DEPARTMENT OF EDUCATION

Notice of Submission for OMB Review; Federal Student Aid; Electronic Debit Payment Option for Student Loans

SUMMARY: The Preauthorized Debit Account (PDA) Application is used to establish electronic debiting for individuals who have requested to have their defaulted federal education debt payments debited from their bank accounts.

DATES: Interested persons are invited to submit comments on or before [insert the 30th day after publication of this notice].

ADDRESSES: Written comments regarding burden and/or the collection activity requirements should be electronically mailed to ICDocketMgr@ed.gov or mailed to U.S. Department of Education, 400 Maryland Avenue, SW, LBJ, Washington, D.C. 20202-4537. Copies of the proposed information collection request may be accessed from <http://edicsweb.ed.gov>, by selecting the “Browse Pending Collections” link and by clicking on link number 04879. When you access the information collection, click on “Download Attachments” to view. Written requests for information should be addressed to U.S. Department of Education, 400 Maryland Avenue, SW, LBJ, Washington, D.C. 20202-4537. Requests may also be electronically mailed to ICDocketMgr@ed.gov or faxed to 202-401-0920. **Please specify the complete title of the information collection and OMB Control Number when making your request.**

Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339.

SUPPLEMENTARY INFORMATION: Section 3506 of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) requires that Federal agencies provide interested parties an early opportunity to comment on information collection requests. The Director, Information Collection Clearance Division, Privacy, Information and Records Management Services, Office of Management, publishes this notice containing proposed information collection requests at the beginning of the Departmental review of the information collection. The Department of Education is especially interested in public comment addressing the following issues: (1) is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

Title of Collection: Electronic Debit Payment Option for Student Loans

OMB Control Number: 1845-0025

Type of Review: Revision

Total Estimated Number of Annual Responses: 1,600

Total Estimated Number of Annual Burden Hours: 133

Abstract: An Electronic Debit Account Program gives the borrower the option to repay federally funded student loans via automatic debit deductions from their checking or savings accounts. The PDA payment option allows individuals with defaulted federal education debts (student loans or grant overpayments) held by the U.S. Department of Education's (ED's) Federal Student Aid Default Resolution Group to have their payments automatically debited from their checking or savings accounts and sent to ED. Individuals who choose to use the PDA option to make their payments must authorize ED to debit their bank accounts. The PDA Brochure and Application (PDA Application) explains the PDA payment option and collects the applicant's authorization for electronic debiting of payments and the bank account information needed by ED to debit the applicant's account.

The authority for the PDA option is provided under the Deficit Reduction Act of 1984, Public Law 98-368, and 31 CFR part 202, Depositories and Financial Agents of the Government. Operating rules and regulations approved and published by the National Automated Clearing House Association (NACHA) and 31 CFR part 210 also govern the use of the PDA Application. Finally, Regulation E, issued and maintained by the Board of Governors of the Federal Reserve System, implements Title IX of the Consumer Credit Protection Act, as amended in 15 U.S.C. 1601. This regulation is designed to implement the act, which primarily serves to protect the interests of the individual consumer participating in electronic transfers. ED has used the collection of information on the currently approved PDA Application to establish electronic debiting for individuals who have requested to have their defaulted federal education debt payments debited from their bank accounts.

Dated: August 24, 2012

Stephanie Valentine, Acting Director
Information Collection Clearance Division
Privacy, Information and Records Management Services
Office of Management