Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Joint Consolidation Loan Separation Application

AGENCY: Federal Student Aid (FSA), Department of Education (ED).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act (PRA) of 1995, the Department is proposing a new information collection request (ICR).

DATES: Interested persons are invited to submit comments on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Written comments and recommendations for proposed information collection requests should be submitted within 30 days of publication of this notice. Click on this link www.reginfo.gov/public/do/PRAMain to access the site. Find this information collection request (ICR) by selecting “Department of Education” under “Currently Under Review,” then check the “Only Show ICR for Public Comment” checkbox. Reginfo.gov provides two links to view documents related to this information collection request. Information collection forms and instructions may be found by clicking on the “View Information Collection (IC) List” link. Supporting statements and other supporting documentation may be found by clicking on the “View Supporting Statement and Other Documents” link.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Beth Grebeldinger, (202) 377-4018.
SUPPLEMENTARY INFORMATION: The Department 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: Joint Consolidation Loan Separation Application

OMB Control Number: 1845-NEW

Type of Review: New ICR.

Respondents / Affected Public: Individuals or Households; Private Sector

Total Estimated Number of Annual Responses: 74,000

Total Estimated Number of Annual Burden Hours: 24,051

Abstract: This is a new collection. The Joint Consolidation Loan Separation Act (JCLSA), amended the Higher Education Act of 1965, as amended (HEA) to allow joint consolidation co-borrowers to apply to separate an existing joint Direct Consolidation Loan or Federal Consolidation Loan into individual Direct Consolidation Loans. The HEA, as amended by the JCLSA, requires joint consolidation loan borrowers to apply to the U.S. Department of Education if they wish to separate an existing joint consolidation loan into one or more individual Direct Consolidation Loans. The JCLSA allows for either joint application or separate application. Under the joint application option, each joint consolidation loan co-borrower applies for an individual Direct Consolidation Loan. Unless the co-borrowers agree on an alternate amount specified in a divorce decree, court order, or settlement agreement, each co-borrowers new individual Direct Consolidation
Loan will be made for an amount equal to the co-borrowers’ portion of the remaining outstanding balance of the joint consolidation loan. Under the separate application option, a co-borrower who certifies that they have experienced an act of domestic violence or economic abuse from the other co-borrower, or that they are unable to reasonably reach or access the loan information of the other co-borrower, may apply separately for a new individual Direct Consolidation Loan, without regard to whether or when the other co-borrower applies. In this circumstance, the applying co-borrowers new Direct Consolidation Loan will be made for an amount equal to that individual’s portion of the joint consolidation loan, determined as described above for the joint application option.

Dated: May 1, 2024.

**Kun Mullan,**
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Strategic Collections and Clearance,
Governance and Strategy Division,
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