

September 25, 2008, must submit the information required in this section, but is not required to undergo the security threat assessment described in this part.

\* \* \* \* \*

### Subpart B—Qualification Standards for Security Threat Assessments

■ 10. Revise § 1572.105(a)(7) to read as follows:

#### § 1572.105 Immigration status.

(a) \* \* \*

(7) An alien in the following lawful nonimmigrant status who has restricted authorization to work in the United States—

(i) B1/OCS Business Visitor/Outer Continental Shelf;

(ii) C–1/D Crewman Visa;

(iii) H–1B Special Occupations;

(iv) H–1B1 Free Trade Agreement;

(v) E–1 Treaty Trader;

(vi) E–3 Australian in Specialty Occupation;

(vii) L–1 Intracompany Executive Transfer;

(viii) O–1 Extraordinary Ability;

(ix) TN North American Free Trade Agreement; or

(x) Another authorization that confers legal status, when TSA determines that the legal status is comparable to the legal status set out in paragraphs (a)(7)(i)–(viii) of this section.

\* \* \* \* \*

■ 11. Amend § 1572.501 by revising paragraphs (b), (c), and (d) to read as follows:

#### § 1572.501 Fee collection.

\* \* \* \* \*

(b) *Standard TWIC Fee.* The fee to obtain or renew a TWIC, except as provided in paragraphs (c) and (d) of this section, is made up of the total of the following segments:

(1) The Enrollment Segment covers the cost for TSA or its agent to enroll applicants. The Enrollment Segment fee is \$43.25.

(2) The Full Card Production/Security Threat Assessment Segment covers the costs for TSA conduct security threat assessment and card production. The Full Card Production/Security Threat Assessment Segment fee is \$72.

(3) The FBI Segment covers the cost for the FBI to process fingerprint identification records. The FBI Segment fee is the amount collected by the FBI under Pub. L. 101–515. If the FBI amends this fee, TSA or its agent will collect the amended fee.

(c) *Reduced TWIC Fee.* The fee to obtain a TWIC when the applicant has undergone a comparable threat assessment in connection with an HME,

FAST card, other threat assessment deemed to be comparable under 49 CFR 1572.5(e) or holds a Merchant Mariner Document or Merchant Mariner License is made up of the total of the following segments:

(1) The Enrollment Segment covers the cost for TSA or its agent to enroll applicants. The Enrollment Segment fee is \$43.25.

(2) The Reduced Card Production/Security Threat Assessment Segment covers the cost for TSA to conduct a portion of the security threat assessment and card production. The Reduced Card Production/Security Threat Assessment Segment fee is \$62.

(d) *Card Replacement Fee.* The fee to replace a TWIC that has been lost, stolen, or damaged is \$60.00.

\* \* \* \* \*

Issued in Arlington, Virginia, on September 21, 2007.

**Kip Hawley,**

*Assistant Secretary, Transportation Security Administration.*

**F.J. Sturm,**

*Captain, U.S. Coast Guard, Acting Director, Inspections and Compliance.*

[FR Doc. 07–4750 Filed 9–27–07; 8:45 am]

BILLING CODE 4910–15–P

## DEPARTMENT OF EDUCATION

### 34 CFR Parts 674, 682 and 685

RIN 1840–AC88

#### Federal Perkins Loan Program, Federal Family Education Loan Program, and William D. Ford Federal Direct Loan Program

**AGENCY:** Office of Postsecondary Education, Department of Education.

**ACTION:** Final regulations.

**SUMMARY:** The Secretary is amending the Federal Perkins Loan (Perkins Loan) Program, Federal Family Education Loan (FFEL) Program, and William D. Ford Federal Direct Loan (Direct Loan) Program regulations to implement the changes to the Higher Education Act of 1965, as amended (HEA), resulting from enactment of the Third Higher Education Extension Act of 2006 (THEEA), Pub. L. 109–292. These final regulations reflect the provisions of the THEEA that authorize the discharge of the outstanding balance of certain Perkins, FFEL, and Direct Loan Program loans for survivors of eligible public servants and other eligible victims of the September 11, 2001, terrorist attacks.

**DATES:** *Effective Date:* These final regulations are effective October 29, 2007.

**FOR FURTHER INFORMATION CONTACT:** Mr. Brian Smith, U.S. Department of Education, 1990 K Street, NW., 8th Floor, Washington, DC 20006. Telephone: (202) 502–7551 or via the Internet at: *Brian.Smith@ed.gov*.

If you use a telecommunications device for the deaf (TDD), you may call the Federal Relay Service (FRS) at 1–800–877–8339.

Individuals with disabilities may obtain this document in an alternative format (*e.g.*, Braille, large print, audiotape, or computer diskette) on request to the contact person listed under **FOR FURTHER INFORMATION CONTACT**.

**SUPPLEMENTARY INFORMATION:** On December 28, 2006, the Secretary published in the **Federal Register** (71 FR 78075) interim final regulations for the Federal Perkins Loan, FFEL, and Direct Loan programs. The interim final regulations were effective on January 29, 2007.

The December 28, 2006, interim final regulations included a request for public comment. This document contains a discussion of the comments we received and revisions to the interim final regulations that we made as a result of these comments.

These final regulations contain several significant changes from the interim final regulations. We fully explain the changes in the Analysis of Comments and Changes section elsewhere in this preamble.

#### Analysis of Comments and Changes

In response to the Secretary's invitation in the interim final regulations, 8 parties submitted comments on the interim final regulations.

An analysis of the comments and of the changes in the regulations since publication of the interim final regulations follows. We group major issues according to subject, with appropriate sections of the regulations referenced in parentheses. Generally, we do not address technical and other minor changes and suggested changes the law does not authorize the Secretary to make. We also do not respond to comments that address issues that were outside the scope of the interim final regulations.

#### *Rights of a Borrower if an Application Is Denied*

*Comments:* One commenter noted that, while there is no formal appeals process for a borrower whose application for a discharge is denied under the interim final regulations, if a borrower disputes the lender's decision,

the borrower may contact the Secretary to ask her to look into the situation. The commenter urged the Secretary to work proactively to ensure that each potential applicant for the discharge of student loans for survivors of victims of the attacks of September 11, 2001 is presented with all necessary information regarding how to apply, the application process, and the applicant's rights in the event the discharge application is denied.

*Discussion:* The discharge application form will describe the eligibility requirements for the discharge and explain what information needs to be included with the application. The process to apply for the discharge—where to send the application, contact information if the borrower has questions, and so on—is different for each loan holder. The Secretary expects loan holders to provide information about the process and eligibility requirements to borrowers who apply for a discharge. If a borrower is not satisfied with the information provided by a lender in response to a discharge application, the borrower may contact the Department of Education's (Department's) Office of the Ombudsman.

*Changes:* None.

*Eligibility of a Defaulted Perkins Loan for a Discharge (§ 674.52(c)(3))*

*Comments:* One commenter asked whether a defaulted Perkins Loan would qualify for a discharge under the interim final regulations.

*Discussion:* If a borrower meets the eligibility criteria for a discharge, the borrower qualifies for the discharge regardless of the repayment status of the loan.

*Changes:* We have modified § 674.52(c)(3) to specify that a borrower may qualify for a discharge of a defaulted Perkins Loan.

*Use of the Term "Permanently and Totally Disabled" (§§ 674.64(a), 682.407(a), and 685.218(a))*

*Comments:* Several commenters questioned why the interim final regulations use the term "permanently and totally disabled", while § 682.402 of the FFEL Program regulations uses the term "totally and permanently disabled". The commenters requested using "totally and permanently disabled" in § 682.407, to be consistent with § 682.402.

*Discussion:* The interim regulations mirror the language used in the THEEA, which uses the term "permanently and totally disabled." We believe that using the term "permanently and totally disabled" helps to distinguish the

September 11-related discharges from the total and permanent disability discharge addressed in § 682.402. Although the criteria for the two discharges are similar, they are not identical. An individual who is "totally and permanently disabled" must meet additional eligibility criteria to be considered "permanently and totally disabled due to injuries suffered in the terrorist attacks on September 11, 2001." Therefore, we believe that it is useful to maintain different terminology for the two discharges. Accordingly, for purposes of the September 11-related discharges and these regulations, and in accordance with the THEEA, we are using the term "permanently and totally disabled".

*Changes:* None.

*Extending the Timeframe for Receipt of Medical Treatment (§§ 674.64(a), 682.407(a), and 685.218(a))*

*Comments:* Several commenters recommended that we extend the timeframe by which an eligible victim or an eligible public servant must have received medical treatment in order to qualify as "permanently and totally disabled due to injuries suffered in the terrorist attacks on September 11, 2001." The interim final regulations specified that medical treatment must have been received within 24 hours of the time the injury was sustained, or within 24 hours of the rescue. The commenters point out that the September 11th Victim Compensation Fund regulations, on which many of the definitions in the interim final regulations are based, provide a timeframe of 72 hours for receipt of medical treatment in certain circumstances.

These commenters also recommended that we allow individuals who did not receive medical treatment within 72 hours to qualify as eligible victims or eligible public servants on a case-by-case basis.

*Discussion:* We agree with the recommendation to extend the timeframe for receipt of medical treatment from 24 hours to 72 hours. However, we do not agree that the final regulations should provide for exceptions to the 72-hour timeframe on a case-by-case basis. The discharge established by the THEEA applies to the survivors of individuals who died or became permanently and totally disabled "due to injuries suffered in" the terrorist attacks on September 11, 2001. We believe that evidence that the individual sought medical treatment within the 72-hour timeframe is necessary to determine whether an individual died or became permanently

and totally disabled due to injuries suffered in the September 11, 2001 terrorist attacks and that exceptions to the timeframe would not be appropriate.

The Department considered whether exceptions made to this rule by the September 11th Victim Compensation Fund would also merit exceptions here. We found that most of the recipients of a case-by-case exception by the September 11th Victim Compensation Fund were rescue workers, whose injuries occurred not from the crashes, but in their efforts afterward. Since they would not therefore be eligible for this discharge under statute, we do not believe the case-by-case exceptions provided for in the September 11th Victim Compensation Fund regulations are relevant to this program.

Furthermore, we believe that allowing case-by-case exceptions could lead to inequities. The September 11th Victim Compensation Fund permitted case-by-case exceptions because the Special Master decided all the cases and could ensure fair treatment for all applicants. In the student loan programs, however, it would be difficult to ensure equal treatment of all borrowers, because the case-by-case exceptions would be made by lenders and guaranty agencies in the FFEL program, Perkins institutions in the Perkins Loan program, and the Department in the Direct Loan program. We believe that the interim final regulations treat borrowers fairly and in accordance with Congressional intent and that an exception process would undercut achieving these goals.

*Changes:* We have revised §§ 674.52(a)(3)(i)(A), 682.407(a)(5)(i)(A), and 685.218(a)(5)(i)(A) to extend the timeframe for receipt of medical treatment from 24 hours to 72 hours.

*Limiting Discharge to Physical Injuries (§§ 674.64(a), 682.407(a), 682.218(a))*

*Comments:* Under the interim final regulations, an eligible victim's or eligible public servant's disability must be "the result of a physical injury to the individual." Several commenters recommended expanding the definition of "permanently and totally disabled due to injuries suffered in the attacks on September 11" to include non-physical injuries.

One commenter recommended extending the timeframe for receipt of medical treatment for an unspecified period beyond the 24 hours established in the interim final regulations for individuals with psychological or emotional disabilities.

*Discussion:* The THEEA provides for discharges to the survivors of individuals whose death or permanent and total disability is attributable to

“injuries suffered” in the September 11 terrorist attacks. The Secretary has interpreted this provision of the statute to limit the definitions of “eligible victim” and “eligible public servant” to individuals who were physically injured or died in the September 11 attacks. This approach is also consistent with the September 11th Victim Compensation Fund regulations, which limited compensation to individuals who experienced physical harm.

*Changes:* None.

*Certification That an Eligible Victim Was Present at the Crash Site*  
(§§ 674.64(a), 682.407(a), 682.407(e)(2)(ii), and 685.218(a))

*Comments:* Several commenters noted that the interim final regulations did not specify who should sign the certification that an eligible victim was present at one of the September 11, 2001 crash sites at the time of the attacks, but that the draft discharge application specified that the certification should be signed by the borrower. The commenters recommended revising the FFEL regulations to reflect the requirement on the draft application form.

*Discussion:* We agree. In addition we realized that the certification that an individual was “present at the World Trade Center in New York City, New York, at the Pentagon in Virginia, or at the Shanksville, Pennsylvania site”, as that term is defined in the interim final regulations, would not include individuals who were on board American Airlines flights 11 or 77 or United Airlines flights 93 or 175 on September 11, 2001. To simplify the discharge application process, we believe that the certification should cover all individuals present at the crash sites, whether they were in the buildings, in areas contiguous to the crash sites, or on board the airplanes.

*Changes:* We have revised § 682.407(e)(2)(ii) to specify that the certification must be signed by the borrower. We have also modified the definition of “Present at the World Trade Center in New York City, New York, at the Pentagon in Virginia, or at the Shanksville, Pennsylvania site” in §§ 674.64(a)(5), 682.407(a)(7), and 685.218(a)(7) to include individuals who were on board American Airlines flights 11 or 77 or United Airlines flights 93 or 175 on September 11, 2001. This change makes the references to individuals who died on board the flights in the definition of “Died due to injuries suffered in the terrorist attacks on September 11, 2001” redundant. Therefore, we’ve removed the references to American Airlines flights 11 and 77,

and United Airlines flights 93 and 175 from §§ 674.64(a)(2)(ii), 682.407(a)(1)(ii), and 685.218(a)(4)(ii).

*Eligibility Determinations*  
(§§ 682.407(b)(4), 682.407(c)(1), 685.218(b)(4), and 685.218(c)(1))

*Comments:* Some commenters noted that the September 11-related discharge identifies several new categories of borrowers, with different eligibility requirements and different discharge benefits. Several commenters requested clarification on which benefits apply to which category of borrowers.

*Discussion:* We agree that the interim final regulations could be clearer as to which discharge benefits apply to each of the different categories of borrowers.

*Changes:* We have revised § 682.407(c)(1) of the FFEL regulations to clarify that under these regulations: The spouse of an eligible public servant may receive a discharge of a FFEL loan; a parent of an eligible victim may receive a discharge of a PLUS Loan incurred on behalf of the eligible victim; a parent of an eligible victim may receive a discharge of the portion of a FFEL Consolidation Loan that repaid a PLUS Loan incurred on behalf of an eligible victim; and a spouse of an eligible victim may receive a discharge of the portion of a joint FFEL Consolidation Loan obtained on behalf of the eligible victim.

In addition, we have added a new § 682.407(b)(4), specifying that the parent of an eligible public servant may receive the same benefits with regard to the discharge of PLUS Loans and Consolidation Loans that the parent of an eligible victim receives. The parent of the eligible public servant must apply for the discharge under the procedures, eligibility criteria, and documentation requirements of a parent of an eligible victim.

We have also made comparable changes in §§ 685.218(c)(1) and 685.218(b)(4) of the Direct Loan Program regulations. We have not made similar changes to the Perkins Loan Program regulations since this issue relates only to PLUS Loans and Consolidation Loans.

*Discharge Benefits for the Spouse or Parent of an Eligible Victim*  
(§§ 674.64(b), 682.407(b), 685.218(b))

*Comments:* Several commenters asked whether the spouse of an eligible victim is entitled to any additional discharges under the interim final regulations. They pointed out that the portion of a Consolidation Loan incurred on behalf of a borrower who has become totally and permanently disabled or has died is

already dischargeable under the procedures specified in § 682.402.

In addition, these commenters pointed out that there is no requirement under § 682.402 that a borrower of a joint Consolidation Loan must still be married to the co-borrower, or must have been married to the co-borrower at the time of his or her death. To qualify for a partial discharge of a joint Consolidation Loan under § 682.407, the co-borrowers must still be married, or must have been married at the time of the death of one of the co-borrowers. These commenters recommended eliminating this requirement from § 682.407.

*Discussion:* The spouse of an eligible victim may apply for a discharge of the portion of a joint Consolidation Loan attributable to an eligible victim under the procedures in § 682.402 or under the procedures in § 682.407. If the borrower obtains a partial discharge of a joint Consolidation Loan under § 682.402, the borrower may also qualify for a refund of payments, as provided for in §§ 682.402(b)(5) or 682.402(c)(1)(i). Under § 682.407, the September 11-related discharge does not provide for a refund of payments to a borrower who has made payments. However, unlike a discharge under § 682.402, a borrower who applies for a partial discharge of a Consolidation Loan due to permanent and total disability under § 682.407 is not subject to a three-year conditional discharge period prior to the discharge.

A borrower may apply for a partial discharge of a joint Consolidation Loan under either § 682.402 or § 682.407. If the borrower of a joint Consolidation Loan has made payments on the loan that would be refunded if the discharge were granted, it would be more advantageous for the borrower to apply for a partial discharge of the joint Consolidation Loan under § 682.402. If the borrower has not made payments that would be refunded, it would be more advantageous for the borrower to apply for a discharge of the joint Consolidation Loan under § 682.407.

A similar situation exists for a parent borrower of a PLUS Loan. A PLUS Loan may be discharged due to the death of the student for whom the PLUS Loan was obtained. If the student for whom a parent borrowed a PLUS Loan died in the September 11 attack, the parent could either apply for a death discharge on the PLUS Loan under § 682.402(b) or apply for a September 11-related discharge under § 682.407.

With regard to the marital status of co-borrowers of joint Consolidation Loans, under the THEEA, the September 11-related survivor’s discharge applies to eligible parents, and to the spouses of

eligible victims or eligible public servants. The THEEA does not provide for a discharge to former spouses of eligible victims or eligible public servants.

*Changes:* We have added provisions to § 682.407(g) of the FFEL regulations clarifying that a borrower with a joint Consolidation Loan may apply for a partial discharge under either § 682.407 or § 682.402 and that a parent PLUS Loan borrower may apply for a discharge due to the death of the student under either § 682.407 or § 682.402. We have also added similar provisions to § 685.218(g) of the Direct Loan regulations. No change is required in the Perkins Loan regulations because there are no Consolidation Loans or PLUS Loans in the Perkins Loan program.

*Discharge Eligibility of a Parent PLUS Borrower Who Obtained Loans on Behalf of an Eligible Public Servant (§§ 682.407(b) and 685.218(b))*

*Comments:* The parent of an eligible victim who borrowed a PLUS Loan on behalf of an eligible victim may qualify for a discharge of the PLUS Loan under these regulations. Several commenters asked whether a parent who has obtained a PLUS Loan on behalf of an eligible public servant would also qualify for a discharge.

*Discussion:* The parent of an eligible public servant may qualify for a discharge of a PLUS Loan under these regulations. However, the parent need not provide the additional documentation required to demonstrate that the individual qualifies as an eligible public servant. The eligibility criteria for the parent of an eligible victim also apply to the parent of an eligible public servant.

*Changes:* In the FFEL Program regulations, we have added a new § 682.407(b)(4) to clarify that a parent who has borrowed a PLUS Loan on behalf of an eligible public servant may qualify for a discharge under the same procedures, eligibility criteria, and documentation requirements that apply to an eligible parent applying for a discharge of a loan incurred on behalf of an eligible victim. We have also added a comparable provision to § 685.618(b)(4) of the Direct Loan Program regulations.

*Payment of Discharge Claims by a Guaranty Agency (§§ 682.407(c)(8) and 682.407(c)(10))*

*Comments:* Several commenters stated that the regulations should specify how a guaranty agency should treat unpaid interest on a loan that accrues during the claim filing and

claim approval process when the agency pays an approved discharge claim.

*Discussion:* We agree.

*Changes:* We have added a new § 682.407(c)(10) to the FFEL Program regulations, providing rules for payment of interest that accrues during the period after the lender determines that the borrower qualifies for a discharge and before the claim is filed; during the period following the lender's receipt of a claim returned by the guaranty agency for additional documentation; and during the period required by the guaranty agency to approve or return the claim. These changes will address the interest accrued in these circumstances in a manner consistent with § 682.402(h)(3)(i) through (iii) of the FFEL Program regulations.

In addition, we have replaced the cross-reference in § 682.407(c)(8) with text to improve the clarity of the regulations. The cross-reference to § 682.402(h)(1)(i)(B) established a timeframe of 90 days for a guaranty agency to pay a lender a September 11-related discharge claim. The new regulatory language maintains the 90-day timeframe, but eliminates the need to refer to a different section of the regulations.

*Requiring a Lender To Provide a Guaranty Agency a Promissory Note (§ 682.407(c)(4))*

*Comments:* Several commenters recommended that we remove the requirement that a lender provide an original or true and exact copy of the promissory note to the guaranty agency when filing a September 11-related discharge claim. The commenters stated that the guaranty agency doesn't need the promissory note to process the claim, and the information provided on the promissory note is not needed to determine a borrower's eligibility for a discharge.

*Discussion:* We agree.

*Changes:* We have removed the requirement that a lender provide an original or true and exact copy of the promissory note to the guaranty agency from § 682.407(c)(4).

*Resumption of Payment When a Discharge Is Denied (§ 682.407(c)(7))*

*Comments:* Several commenters noted that if a borrower's discharge application is denied, the suspension of collection activity is converted to a forbearance. The interim final regulations state that the forbearance ends on the "first payment due date". The commenters noted that the forbearance should end on the "next payment due date".

*Discussion:* We agree.

*Changes:* We have revised § 682.407(c)(7) by replacing "first payment due date" with "next payment due date".

*Documentation of the Death of an Eligible Victim (§§ 682.407(d)(5)(i) and 685.218(d)(5)(i))*

*Comments:* In the course of our review of the public comments, we discovered an error in the provisions of the regulations that establish documentation requirements for the death of an eligible victim. In both the FFEL and Direct Loan versions of the current regulations, §§ 682.407(d)(5)(i) and 685.218(d)(5)(i) require the borrower to provide the documentation described in paragraphs (d)(2)(ii), (d)(2)(iii), and (d)(3) of those sections. Paragraph (d)(2)(ii) refers to requiring an original or certified copy of a death certificate. Paragraph (d)(3) refers to an alternative to an original or certified copy of a death certificate. There is no need to require both an original or certified copy of a death certificate, and an alternative to an original or certified copy of a death certificate.

*Changes:* We have revised §§ 682.407(d)(5)(i) and 685.218(d)(5)(i) to require either a certified or original copy of a death certificate, or, as an alternative, documentation that the individual received a death discharge on a Title IV loan.

**Executive Order 12866**

*Regulatory impact analysis*

Under Executive Order 12866, the Secretary must determine whether this regulatory action is "significant" and therefore subject to the requirements of the Executive Order and subject to review by the OMB. Section 3(f) of Executive Order 12866 defines a "significant regulatory action" as an action likely to result in a rule that may (1) Have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities in a material way (also referred to as an "economically significant" rule); (2) create serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive order.

Pursuant to the terms of the Executive order, it has been determined this regulatory action will not have an annual effect on the economy of more than \$100 million. We believe that approximately 1,000 borrowers are eligible for discharge of their loans under these provisions and that the costs incurred by the Department, lenders, and guaranty agencies to make the necessary systems changes to implement the discharge will approximate \$1,350,000. Therefore, this action is not "economically significant" and is not subject to OMB review under section 3(f)(1) of Executive Order 12866. However, this action is subject to OMB review under section 3(f)(4) of the Executive order.

#### *Need for Federal regulatory action*

These final regulations are needed to implement recent amendments to the HEA that affect students, borrowers and program participants in the Federal student aid programs authorized under Title IV of the HEA.

The Secretary has limited discretion in implementing these provisions. The changes included in these final regulations simply modify the Department's regulations implementing loan discharges for the outstanding balance of certain Perkins, FFEL, and Direct Loan Program loans for survivors of eligible public servants and other eligible victims of the September 11, 2001 terrorist attacks.

#### *Paperwork Reduction Act of 1995*

As noted in the interim final regulations, the Department has been developing the application necessary to implement the provisions of this rulemaking activity. The **Federal Register** notice implementing the interim final regulations also served as a Notice inviting comment on the collection of information associated with these regulations.

We have received 23 comments on the new Perkins, FFEL, and Direct Loan Discharge Application for September 11, 2001 Survivors. We are currently in the process of making revisions to the discharge application, based on the public comment that we have received and on changes made by these final regulations. We will make the discharge application available shortly after publication of the final regulations.

#### *Assessment of Education Impact*

Based on our own review, we have determined that these final regulations do not require transmission of information that any other agency or authority of the United States gathers or makes available.

#### *Electronic Access to This Document*

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**Note:** The official version of this document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available on GPO Access at: <http://www.gpoaccess.gov/nara/index.html>.

#### **List of Subjects in 34 CFR Parts 674, 682 and 685**

Administrative practice and procedure, Colleges and universities, Education, Loan programs-education, Reporting and recordkeeping requirements, Student Aid.

Dated: September 25, 2007.

#### **Margaret Spellings,**

*Secretary of Education.*

■ For the reasons discussed in the preamble, the Secretary amends parts 674, 682, and 685 of title 34 of the Code of Federal Regulations as follows:

#### **PART 674—FEDERAL PERKINS LOAN PROGRAM**

■ 1. The authority citation for part 674 continues to read as follows:

**Authority:** 20 U.S.C. 1087aa-1087hh and 20 U.S.C. 421-429, unless otherwise noted.

#### **§ 674.52 [Amended]**

■ 2. Section 674.52 is amended in paragraph (c)(3) by removing the word "cancellation" and adding, in its place, the word "discharge" and by adding the words " , or, if the borrower is the spouse of an eligible public servant as defined in § 674.64(a)(1), on account of the death or disability of the borrower's spouse," immediately after the words "death or disability of the borrower".

■ 3. Section 674.64 is amended by:

- A. Revising paragraph (a)(2).
- B. In paragraph (a)(3)(i)(A), removing the number "24" both times it appears, and adding, in its place, the number "72".
- C. In paragraph (a)(5)(i), removing the word "or" at the end of the paragraph.
- D. In paragraph (a)(5)(ii), removing the punctuation ".", and adding, in its place, the words "; or".

- E. Adding a new paragraph (a)(5)(iii).
- F. In paragraph (b)(4), removing the word "lender" and adding, in its place, the word "institution".
- G. In paragraph (c)(3), removing the words "If the individual owed" and adding, in their place, the words "If the eligible public servant owed".
- H. In paragraph (f)(1), adding the word "outstanding" immediately after the word "Only".
- The revision and addition read as follows:

#### **§ 674.64 Discharge of student loan indebtedness for survivors of victims of the September 11, 2001, attacks.**

\* \* \* \* \*

(a) \* \* \*

(2) *Died due to injuries suffered in the terrorist attacks on September 11, 2001* means the individual was present at the World Trade Center in New York City, New York, at the Pentagon in Virginia, or at the Shanksville, Pennsylvania site at the time of or in the immediate aftermath of the terrorist-related aircraft crashes on September 11, 2001, and the individual died as a direct result of these crashes.

\* \* \* \* \*

(5) \* \* \*

(iii) On board American Airlines flights 11 or 77 or United Airlines flights 93 or 175 on September 11, 2001.

\* \* \* \* \*

#### **PART 682—FEDERAL FAMILY EDUCATION LOAN (FFEL) PROGRAM**

■ 4. The authority citation for part 682 continues to read as follows:

**Authority:** 20 U.S.C. 1071 to 1087-2, unless otherwise noted.

■ 5. Section 682.407 is amended by:

- A. Revising paragraph (a)(4).
- B. In paragraph (a)(5)(i)(A), removing the number "24" both times it appears, and adding, in its place, the number "72".
- C. In paragraph (a)(7)(i), removing the word "or".
- D. In paragraph (a)(7)(ii), removing the punctuation ".", and adding, in its place, the words "; or".
- E. Adding a new paragraph (a)(7)(iii).
- F. Adding a new paragraph (b)(4).
- G. Revising paragraph (c)(1).
- H. Removing paragraph (c)(4)(i).
- I. Redesignating paragraph (c)(4)(ii) as (c)(4)(i).
- J. Redesignating paragraph (c)(4)(iii) as (c)(4)(ii).
- K. In paragraph (c)(7), removing the word "first" and adding, in its place, the word "next".
- L. In paragraph (c)(8), removing the words "within the timeframe

established for payment of disability claims in § 682.402(h)(1)(i)(B).” and adding, in their place, the words “not later than 90 days after the claim was filed by the lender.”

- M. Redesignating paragraphs (c)(10) through (c)(13) as paragraphs (c)(11) through (c)(14), respectively.
- N. Adding a new paragraph (c)(10).
- O. In paragraph (d)(5)(i), removing the parentheticals “(d)(2)(ii), (d)(2)(iii), and (d)(3)” and adding, in their place, the parentheticals, “(d)(2)(ii) or (d)(3), and (d)(2)(iii)”.
- P. In paragraph (e)(2)(ii), adding the words “signed by the borrower” immediately after the words “A certification”.
- Q. In paragraph (g)(1), adding the word “outstanding” immediately after the word “Only”, and adding the word “outstanding” immediately after the words “were owed on September 11, 2001, or,”.
- R. Redesignating paragraph (g)(2) as paragraph (g)(2)(i).
- S. Adding a new paragraph (g)(2)(ii).
- T. Adding a new paragraph (g)(2)(iii).
- The additions and revisions read as follows:

**§ 682.407 Discharge of student loan indebtedness for survivors of victims of the September 11, 2001, attacks.**

\* \* \* \* \*

(a) \* \* \*

(4) *Died due to injuries suffered in the terrorist attacks on September 11, 2001* means the individual was present at the World Trade Center in New York City, New York, at the Pentagon in Virginia, or at the Shanksville, Pennsylvania site at the time of or in the immediate aftermath of the terrorist-related aircraft crashes on September 11, 2001, and the individual died as a direct result of these crashes.

\* \* \* \* \*

(7) \* \* \*

(iii) On board American Airlines flights 11 or 77 or United Airlines flights 93 or 175 on September 11, 2001.

\* \* \* \* \*

(b) \* \* \*

(4) The parent of an eligible public servant may qualify for a discharge of a FFEL PLUS loan incurred on behalf of the eligible public servant, or the portion of a FFEL Consolidation Loan that repaid a FFEL or Direct PLUS Loan incurred on behalf of the eligible public servant, under the procedures, eligibility criteria, and documentation requirements described in this section for an eligible parent applying for a discharge of a loan incurred on behalf of an eligible victim.

(c) *Applying for discharge.* (1) In accordance with the procedures in

paragraphs (c)(2) through (c)(13) of this section, a discharge may be granted on—

- (i) A FFEL Program Loan owed by the spouse of an eligible public servant;
- (ii) A FFEL PLUS Loan incurred on behalf of an eligible victim;
- (iii) The portion of a FFEL Consolidation Loan that repaid a PLUS loan incurred on behalf of an eligible victim; and
- (iv) The portion of a joint Consolidation Loan incurred on behalf of an eligible victim.

\* \* \* \* \*

(10) The amount payable on an approved claim includes the unpaid interest that accrues during the following periods:

- (i) During the period before the claim is filed, not to exceed 60 days from the date the lender determines that the borrower qualifies for a discharge under this section.
- (ii) During a period not to exceed 30 days following the date the lender receives a claim returned by the guaranty agency for additional documentation necessary for the claim to be approved by the guaranty agency.
- (iii) During the period required by the guaranty agency to approve the claim and to authorize payment or to return the claim to the lender for additional documentation, not to exceed 90 days.

\* \* \* \* \*

(g) \* \* \*

(2) \* \* \*

(ii) A borrower may apply for a partial discharge of a joint Consolidation loan due to death or total and permanent disability under the procedures in § 682.402(b) or (c). If the borrower is granted a partial discharge under the procedures in § 682.402(b) or (c) the borrower may qualify for a refund of payments in accordance with § 682.402(b)(5) or § 682.402(c)(1)(i).

(iii) A borrower may apply for a discharge of a PLUS loan due to the death of the student for whom the borrower received the PLUS loan under the procedures in § 682.402(b). If a borrower is granted a discharge under the procedures in § 682.402(b), the borrower may qualify for a refund of payments in accordance with § 682.402(b)(5).

\* \* \* \* \*

**PART 685—WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM**

■ 6. The authority citation for part 685 continues to read as follows:

**Authority:** 20 U.S.C. 1087a *et seq.*, unless otherwise noted.

■ 7. Section 685.218 is amended by:

- A. Revising paragraph (a)(4).
- B. In paragraph (a)(5)(i)(A), removing the number “24” both times it appears, and adding, in its place, the number “72”.
- C. In paragraph (a)(7)(i), removing the word “or” at the end of the paragraph.
- D. In paragraph (a)(7)(ii), removing the punctuation “.”, and adding, in its place, the words “; or”.
- E. Adding a new paragraph (a)(7)(iii).
- F. Adding a new paragraph (b)(4).
- G. Revising paragraph (c)(1).
- H. In paragraph (d)(5)(i), removing the parentheticals “(d)(2)(ii), (d)(2)(iii), and (d)(3)” and adding, in their place, the parentheticals, “(d)(2)(ii) or (d)(3), and (d)(2)(iii)”.
- I. In paragraph (e)(2)(ii), adding the words “signed by the borrower” immediately after the words “A certification”.
- J. In paragraph (g)(1), adding the word “outstanding” immediately after the word “Only”, and adding the word “outstanding” immediately after the words “were owed on September 11, 2001, or”.
- K. Redesignating paragraph (g)(2) as paragraph (g)(2)(i).
- L. Adding a new paragraph (g)(2)(ii).
- M. Adding a new paragraph (g)(2)(iii).

The additions and revisions read as follows:

**§ 685.218 Discharge of student loan indebtedness for survivors of victims of the September 11, 2001 attacks.**

\* \* \* \* \*

(a) \* \* \*

(4) *Died due to injuries suffered in the terrorist attacks on September 11, 2001* means the individual was present at the World Trade Center in New York City, New York, at the Pentagon in Virginia, or at the Shanksville, Pennsylvania site at the time of or in the immediate aftermath of the terrorist-related aircraft crashes on September 11, 2001, and the individual died as a direct result of these crashes.

\* \* \* \* \*

(7) \* \* \*

(iii) On board American Airlines flights 11 or 77 or United Airlines flights 93 or 175 on September 11, 2001.

\* \* \* \* \*

(b) \* \* \*

(4) The parent of an eligible public servant may qualify for a discharge of a Direct PLUS loan incurred on behalf of the eligible public servant, or the portion of a Direct Consolidation Loan that repaid a FFEL or Direct PLUS Loan incurred on behalf of the eligible public servant, under the procedures, eligibility criteria, and documentation requirements described in this section for an eligible parent applying for a

discharge of a loan incurred on behalf of an eligible victim.

(c) *Applying for discharge.* (1) In accordance with the procedures in paragraphs (c)(2) through (c)(4) of this section, the Secretary discharges—

- (i) A Direct Loan owed by the spouse of an eligible public servant;
- (ii) A Direct PLUS Loan incurred on behalf of an eligible victim;
- (iii) The portion of a Direct Consolidation Loan that repaid a PLUS loan incurred on behalf of an eligible victim; and
- (iv) The portion of a joint Direct Consolidation Loan incurred on behalf of an eligible victim.

\* \* \* \* \*

- (g) \* \* \*
- (2) \* \* \*

(ii) A borrower may apply for a partial discharge of a joint Direct Consolidation loan due to death or total and permanent disability under the procedures in § 685.212(a) or § 685.213. If the borrower is granted a partial discharge under the procedures in § 685.212(a) or § 685.213 the borrower may qualify for a refund of payments in accordance with § 685.212(g)(1) or § 685.212(g)(2).

(iii) A borrower may apply for a discharge of a Direct PLUS loan due to the death of the student for whom the borrower received the PLUS loan under the procedures in § 685.212(a). If a borrower is granted a discharge under the procedures in § 685.212(a), the borrower may qualify for a refund of payments in accordance with § 685.212(g)(1).

\* \* \* \* \*

[FR Doc. E7-19237 Filed 9-27-07; 8:45 am]  
BILLING CODE 4000-01-P

**DEPARTMENT OF COMMERCE**

**Patent and Trademark Office**

**37 CFR Part 1**

[Docket No. PTO-C-2006-0015]

RIN 0651-AB81

**Revision of Patent Fees for Fiscal Year 2007**

**AGENCY:** United States Patent and Trademark Office, Commerce.

**ACTION:** Final rule; correction.

**SUMMARY:** The United States Patent and Trademark Office (Office) published a final rule in the *Federal Register* of August 22, 2007, adjusting patent fees for fiscal year 2007 to reflect fluctuations in the Consumer Price Index (CPI). This document corrects errors in that final rule.

**EFFECTIVE DATE:** September 30, 2007.

**FOR FURTHER INFORMATION CONTACT:** Richard R. Cole, Senior Legal Examiner, Office of PCT Legal Administration (OPCTLA) directly by telephone at (571) 272-3281, or by facsimile at (571) 273-0459.

**SUPPLEMENTARY INFORMATION:** The Office published a final rule in the *Federal Register* of August 22, 2007 (72 FR 46899), entitled “Revision of Patent Fees for Fiscal Year 2007.” In that final rule, there was a mathematical error in the computation of fees payable under 37 CFR 1.17(a)(4) and (a)(5). This document amends the final rule with the correct fees. Additionally, the text of existing 37 CFR 1.492(b)(2) through (b)(4) was inadvertently changed in that final rule. This document corrects the text of 37 CFR 1.492(b)(2) through (b)(4) in that final rule.

Section 553(d) of the Administrative Procedure Act (5 U.S.C. 553(d)) ordinarily requires a 30-day delay in the effective date of final rules after the date of their publication in the *Federal Register*. This 30-day delay in effective date can be waived, however, if an agency finds for good cause that the delay is impracticable, unnecessary, or contrary to the public interest. The changes in 37 CFR 1.17(a)(4) and (a)(5) reflect a technical error in the computation of the payable fee. The changes in 37 CFR 1.492(b)(2) through (b)(4) do not change the fee amounts from the final rule published on August 22, 2007, but merely correct the language consistent with the existing and intended text. The Office finds it impracticable to have a 30-day delayed effective date for these technical corrections as the Office must charge the correct fees as of the effective date. Furthermore, the Office finds that it is in the public’s interest to correct the changes in text where no change is intended. Therefore, the Office is waiving the 30-day delay in effective date for the technical and computational corrections in this notice.

■ In rule FR Doc. E7-16574, August 22, 2007 (72 FR 46899), make the following corrections:

**§ 1.17 [Corrected]**

■ 1. On page 46902, in the first column, § 1.17(a)(4) through (a)(5) are corrected to read as follows:

**§ 1.17 Patent application and reexamination processing fee.**

- (a) \* \* \*
- (4) For reply within fourth month:  
By a small entity (§ 1.27(a)) .... \$820.00  
By other than a small entity ... \$1,640.00
- (5) For reply within fifth month:

By a small entity (§ 1.27(a)) ....	\$1,115.00
By other than a small entity ...	\$2,230.00
* * * * *	

**§ 1.492 [Corrected]**

■ 2. On page 46902, in the third column, § 1.492(b)(2) through (b)(4) are corrected to read as follows:

**§ 1.492 National stage fees.**

* * * * *	
(b) * * *	
(2) If the search fee as set forth in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority:	
By a small entity (§ 1.27(a)) .....	\$50.00
By other than a small entity .....	\$100.00

(3) If an international search report on the international application has been prepared by an International Searching Authority other than the United States International Searching Authority and is provided, or has been previously communicated by the International Bureau, to the Office:

By a small entity (§ 1.27(a)) .....	\$205.00
By other than a small entity .....	\$410.00

(4) In all situations not provided for in paragraphs (b)(1), (b)(2), or (b)(3) of this section:

By a small entity (§ 1.27(a)) .....	\$255.00
By other than a small entity .....	\$510.00

\* \* \* \* \*

Dated: September 25, 2007.  
**Barry K. Hudson,**  
*Chief Financial Officer.*  
[FR Doc. E7-19326 Filed 9-27-07; 8:45 am]  
BILLING CODE 3510-16-P

**POSTAL SERVICE**

**39 CFR Part 111**

**New Move Update Standards for First-Class Mail and Standard Mail**

**AGENCY:** United States Postal Service.  
**ACTION:** Final rule.

**SUMMARY:** The Postal Service™ is extending its effort to improve the percentage of deliverable mail by revising Move Update standards in the *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM). The Move Update standards provide ways for mailers to reduce the number of mailpieces that require forwarding or return by the periodic matching of a mailer’s address records with customer-filed change-of-address orders. Our final rule includes the following changes related to Move Update processing: increase the