

In evaluating the application, reviewers are directed to consider the following components and how they relate to the likelihood that the applicant will continue in a research career:

(i) Applicant's potential to pursue a career in research as defined by the appropriate LRP:

(A) Appropriateness of the applicant's previous training and experience to prepare for a research career.

(B) Appropriateness of the proposed research activities during the LRP contract to foster a career in research.

(C) Commitment to a research career, as reflected by the personal statement of long-term career goals and plan to achieve those goals.

(D) Strength of the letters of recommendations attesting to the applicant's potential for a successful career in research.

(ii) Quality of the overall environment to prepare the applicant for a research career:

(A) Quality and availability of appropriate scientific mentors and colleagues to help achieve or enhance the applicant's research independence, including the mentors' record in mentoring researchers, funding history, and research productivity.

(B) Quality and appropriateness of institutional resources and facilities.

(iii) For the Health Disparities Research LRP, at least 50 percent of the contracts are required by statute to be for appropriately qualified health professionals who are members of a health disparity population.

§ 68.8 What do the NIH LRPs provide to participants?

(a) Loan repayments: For each year of the applicable service period the individual agrees to serve, the NIH may pay up to \$35,000 per year of a participant's repayable debt.

(b) Payments are made directly to a participant's lender(s). If there is more than one outstanding qualified educational loan, the NIH will repay the loans in the following order, unless the NIH determines significant savings would result from paying loans in a different order of priority:

(1) Loans guaranteed by the U.S. Department of Health and Human Services;

(2) Loans guaranteed by the U.S. Department of Education;

(3) Loans made or guaranteed by a state;

(4) Loans made by a school; and

(5) Loans made by other entities.

(c) Tax liability payments: In addition to the loan repayments, the NIH shall make tax payments in an amount equal to 39 percent of the total annual loan repayment to the Internal Revenue Service on the participant's behalf. The NIH may make additional payments to those participants who show increased Federal, State, and/or local taxes as a result of loan repayments.

(d) Under paragraphs (a), (b), and (c) of this section, the NIH will make loan and tax liability payments to the extent appropriated funds are available for these purposes.

§ 68.9 What loans qualify for repayment?

The NIH LRPs will repay participants' lenders the principal, interest, and related expenses of qualified U.S. Government and commercial educational loans obtained by participants for the following:

(a) Undergraduate, graduate, and health professional school tuition expenses;

(b) Other reasonable educational expenses required by the school(s) attended, including fees, books, supplies, educational equipment and materials, and laboratory expenses; and

(c) Reasonable living expenses, including the cost of room and board, transportation and commuting costs, and other living expenses, as determined by the NIH.

§ 68.10 What loans are ineligible for repayment?

The following loans are ineligible for repayment under the NIH LRPs:

(a) Loans not obtained from a bank, credit union, savings and loan association, not-for-profit organization, insurance company, school, and other financial or credit institution that is subject to examination and supervision in its capacity as a lending institution by an agency of the United States or of the state in which the lender has its principal place of business;

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(b) Loans for which supporting documentation is not available;

(c) Loans that have been consolidated with loans of other individuals, such as spouses or children;

(d) Loans or portions of loans obtained for educational or living expenses that exceed the standard of reasonableness as determined by the participant's standard school budget for the year in which the loan was made and are not determined by the NIH to be reasonable based on additional documentation provided by the individual;

(e) Loans, financial debts, or service obligations incurred under the following programs, or similar programs, which provide loans, scholarships, loan repayments, or other awards in exchange for a future service obligation:

(1) Armed Forces (Army, Navy, or Air Force) Professions Scholarship Program,

(2) Exceptional Financial Need (EFN) Scholarship Program,

(3) Financial Assistance for Disadvantaged Health Professions Students (FADHPS),

(4) Indian Health Service Scholarship Program,

(5) National Health Service Corps Scholarship Program,

(6) National Institutes of Health Undergraduate Scholarship Program (UGSP),

(7) National Research Service Award (NRSA) Program,

(8) Physicians Shortage Area Scholarship Program,

(9) Primary Care Loans (PCL), and

(10) Public Health Service Scholarship Program;

(f) Any loan in default, delinquent, or not in a current payment status;

(g) Any Federal educational loan debt—including debt arising from the conversion of a service obligation to a loan—that has been in default or written off as uncollectible is ineligible for repayment under the Program, even if currently considered to be in good standing;

(h) Loan amounts that participants were due to have been paid prior to the LRP contract start date;

(i) Parents PLUS loans (except the Graduate PLUS loans for students);

(j) Loans for which promissory notes have been signed after the LRP con-

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tract start date (with the exception of qualifying student loan consolidations); and

(k) Home equity loans or other non-educational loans.

§ 68.11 What does an individual have to do in return for loan repayments received under the NIH LRPs?

Individuals must agree to:

(a) Engage in qualified research for the applicable contract service period;

(b)(1) For Intramural LRPs: Engage in such research full-time as employees of NIH, or;

(2) For Extramural LRPs: Engage in such research for an average of 20 hours per week supported by a domestic nonprofit foundation, nonprofit professional association, or other nonprofit institution (e.g., university), or a U.S. or other government agency (Federal, state or local);

(c) Keep all loan accounts in good standing, provide timely documentation as needed, including payment verification, service verification, change of research, change of institution, etc. Failure to provide such documentation may result in early termination, and the individual may be subject to statutory financial penalties; and

(d) Satisfy all of the other terms and conditions of the LRP and the LRP Contract (e.g., Obligations of the Participant). Failure to adhere to the terms and conditions of the LRP contract may result in early termination, and the individual may be subject to statutory financial penalties.

§ 68.12 How does an individual receive loan repayments beyond the initial applicable contract period?

An individual may apply for a competitive extension contract for at least a one-year period if the individual is engaged in qualifying research and satisfies the eligibility requirements specified under §§ 68.3 and 68.4 of this part for the extension period and has remaining repayable debt as established by the Secretary.