SUPPORTING STATEMENT A

Health Professions Student Loan (HPSL) Program, Loans for Disadvantaged Students (LDS), Nursing Student Loan (NSL) Program, and Primary Care Loan (PCL) Program Administrative Requirements - Regulations and Policy

OMB Control No. 0906-0088 - Extension

A. Justification

1. Circumstances Making the Collection of Information

This clearance request is for the approval of the revised Health Professions Student Loan (HPSL) Program, Loans for Disadvantaged Students (LDS) Program, Primary Care Loan Program (PCL), and Nursing Student Loan (NSL) Program Administrative Requirements package. The package was previously titled the Health Professions Student Loan (HPSL) Program and Nursing Student Loan (NSL) Program Administrative Requirements (Regulations and Policy).

- The HPSL Program, authorized by sections 721-735 of the Public Health Service (PHS) Act, 42 U.S.C. 292q-292y, provides funds to schools for long-term, low-interest loans to students attending schools of medicine, osteopathic medicine, dentistry, veterinary medicine, optometry, pediatric medicine, and pharmacy.
- The LDS Program, authorized by section 724 of the PHS Act, 42 U.S.C. 292t, gives HPSL schools access to funds for loans to students with financial need from disadvantaged backgrounds.
- The PCL Program, authorized by section 723 of the PHS Act, 42 U.S.C. 292s, as amended by P.L. 111-148, provides funds to PCL schools for long-term, low-interest loans to students pursuing a degree only in allopathic medicine or osteopathic medicine. Borrowers must agree to practice in primary care until the loan is repaid or for a period of 10 years, whichever comes first. The statute provides for a gradual redistribution of medical and osteopathic PCL funds to schools that demonstrate a commitment to training primary care practitioners.

The LDS and PCL Programs are funded separately from the HPSL Program but are governed by relevant requirements associated with the HPSL Program including due diligence requirements, institutional contributions, reporting, etc.

- The NSL Program, authorized by section 835-842 of the PHS Act (42 U.S.C. 297a-i), provides funds to schools of nursing for long term, low interest loans to students in programs leading to a diploma in nursing, an associate degree, a baccalaureate degree, or a graduate degree in nursing.

These programs also have recordkeeping and reporting requirements for academic institutions and loan applicants. The applicable program regulations are found in 42 C.F.R. §§ 57.201-218 and 57.301-318. There are no proposed changes to the AOR-HRSA form 501 or the Deferment-HRSA form 519.

Participating HPSL, PCL, LDS, and NSL schools are responsible for determining the eligibility of applicants, making loans, and collecting monies owed by borrowers on their outstanding loans. Schools are required to: (1) expend their HPSL, PCL, LDS, and NSL funds; (2) identify and return to the Department excess cash from the HPSL, PCL, LDS, and NSL funds; and, (3) determine the collectability of defaulted loans and, for loans determined to be uncollectible, either obtain approval to write off the loans or reimburse the fund for the amount that remains uncollected on the loans.

The governing regulations for the HPSL, LDS, and PCL Programs (§§ 57.201-57.218) and the NSL program (§§ 57-301-57.318) are included in 42 CFR 57, Subpart C - Health Professions Student Loans and Subpart D – Nursing Student Loans, respectively.

AOR-HRSA-501 form for HPSL, PCL, LDS & NSL is authorized by section 799(e) and (h) of the PHS Act (42 USC 295o), and §§ 57.215 (HPSL, LDS, and PCL) and 57.315 (NSL) of the regulations. The AOR provides the federal government with information from participating schools relating to HPSL, PCL, LDS and NSL program operations and financial activities.

RECORDKEEPING REQUIREMENTS

Pursuant to 45 CFR § 57.315 and 45 CFR §57.215, schools must maintain Federal capital contribution and Federal capital loan records and file with the Secretary those reports relating to the operation of its student loan funds as the Secretary may find necessary to carry out the purposes of the Act and these regulations.

Documentation of Cost of Attendance - In the selection of qualified applicants, the school must document criteria used for determining reasonable costs necessary for the student's attendance at the school.

Promissory Note - Each HPSL, PCL, LDS, or NSL loan must be evidenced by a properly executed promissory note in a form approved by the Secretary, and the school must safeguard the note against fire, theft, and tampering.

Documentation of Entrance Interview - The school must conduct and document the entrance interview with the borrower prior to disbursing HPSL, PCL, LDS, or NSL funds, to inform him/her of the rights and responsibilities associated with receiving the funds.

Documentation of Exit Interview - The school must conduct and document the exit interview with the borrower, or if borrower terminates studies without advance notice, the school must document attempts to inform the borrower of the substance of the exit interview and to secure required information from the borrower by mail.

Program Records - The school must maintain records relating to the operation of its HPSL, LDS, NSL, or PCL funds.

Student Records - Approved student applications, documentation of financial need records, and copies of financial aid transcripts must be retained by the school for five years after a student ceases to be a full-time student.

Repayment Records - Repayment records for each borrower must be retained for at least 5 years from the date of retirement of a loan.

REPORTING REQUIREMENTS

Pursuant to 45 CFR § 57.315 and 45 CFR §57.215, schools must submit required reports to the Secretary within 45 days of the close of the reporting period. A school is subject to termination for failure to submit the required report for Federal Capital Contribution fund within 45 days of the close of the reporting period.

Student Financial Aid Transcript *(Disclosure)* - An applicant who has previously attended an institution of higher education must submit a financial aid transcript.

Loan Disclosure Requirements *(Disclosure)* - The school must disclose loan information to students who receive HPSL, LDS, NSL, or PCL loans at the onset of their studies and prior to the completion or termination of their studies.

Entrance Interview *(Disclosure)* - The school must conduct the entrance interview with the borrower prior to disbursing HPSL, LDS, NSL, or PCL funds, to inform him/her of the rights and responsibilities associated with receiving the funds.

Exit Interview *(Disclosure)* - The school must conduct the exit interview with the borrower, or if borrower terminates studies without advance notice, the school must attempt to inform the borrower of the substance of the exit interview and to secure required information from the borrower by mail.

Notification of Repayment *(Notification)* - The school must notify the borrower in writing of the impending repayment obligation at least twice during the grace period.

Notification during Deferment *(Notification)* - The school must notify the borrower in deferment status in writing of the impending repayment obligation one to three months prior to the expiration of the approved period of deferment.

Notification of Delinquent Accounts *(Notification)* - The school must make at least four attempts to contact the borrower regarding past due payments, prior to the loan becoming 120 days past due.

Credit Bureau Notification *(Notification)* - The school must become a member of a credit bureau and notify the credit bureau of accounts past due by more than 120 days.

Write-off of Uncollectible Loans *(Reporting)* - If a school wishes to request the Department's approval to write off an uncollectible loan, it must do so within 30 days of determining that the loan is uncollectible.

Disability Cancellation *(Reporting)* - The Secretary will cancel a student borrower's indebtedness if found to be permanently and totally disabled, on recommendation of the school and as supported by whatever medical certification the Secretary may require.

Evidence of Educational Loans *(Disclosure)* - Borrowers must provide evidence of loans for which they are requesting partial payment for service in a health professional shortage area. Under this regulatory section, there have been no repayment activities reportable for HPSL, LDS, NSL, or PCL since 1982, when the provision was phased out due to lack of Federal funding.

Administrative Hearings *(Reporting)* - A school which fails to comply with reporting requirements relating to the operation of its program, and is therefore subject to termination, may submit a request for formal hearing which contains a statement of material, factual issues in dispute.

Administrative Hearings *(Reporting)* - A school which fails to comply with requirements to reduce its default rates may submit a request for formal hearing which contains a statement of material, factual issues in dispute.

2. Purpose and Use of Information Collection

These information collections and record-keeping requirements are essential for assuring that borrowers are fully informed of the terms and conditions of their loans and are aware of their rights and responsibilities and that schools know the history and status of each loan account, that they pursue aggressive collection efforts, and maintain adequate records for audit and assessment purposes. The reporting and recordkeeping requirements are to ensure compliance with the authorizing legislation. Schools must maintain adequate records of loan accounts for audit and assessment purposes and pursue aggressive collection efforts to reduce default rates.

3. Use of Improved Information Technology and Burden Reduction

Schools use automated systems and may select whatever information technology they have available to maintain all records associated with the regulations.

4. Efforts to Identify Duplication and Use of Similar Information

The information requested is unique to the HPSL, LDS, NSL, or PCL program requirements. These requirements will not result in duplication of reporting since schools would not be reporting this kind of information elsewhere.

5. Impact on Small Businesses or Other Small Entities

No small businesses will be involved in this data collection.

6. Consequences of Collecting the Information Less Frequently

The information is collected at specified critical intervals of the program and, consequently, could not be collected less frequently without detriment to the success of the program and the financial interest of the federal government.

The AOR-HRSA form 501 is due annually. This information is needed to determine compliance with the program requirements, to calculate additional funding needs and/or if awardees have excess cash that must be returned to the federal government. The Deferment-HRSA form 519 is due on an ad-hoc basis, depending on when the student needs to request a deferment to paying their loans.

7. Special Circumstances Relating to the Guidelines of- 5 CFR 1320.5(d)(2)

Under P.L. 103-43, the HPSL, LDS, NSL, and PCL statute allows for a 10–25-year repayment period at the discretion of the institution (see Sec 134 General Provisions (a)(3)(B)), excluding periods of student status and eligible deferment activities. As a result, student records and repayment records that are part of the loan collections process must be retained for the appropriate repayment period. In addition, the regulations require that student repayment records be retained for five years after repayment of the loan.

8. Comments in Response to the Federal Register Notice/Outside Consultation

Section 8A: A 60-day Federal Register Notice was published in the Federal Register on May 27, 2026; vol. 91, No. 101; pp. 31465-67. There was one public comment from the American Pharmacists Association (APhA) that was largely supportive of the HPSL and LDS programs, the two programs listed in this ICR that support pharmacy education. APhA described challenges facing pharmacy students, especially in light of predicted pharmacist shortages in various regions. APhA encouraged HRSA to create pathways such as the HPSL program to help pharmacy students access federal loans given the important role pharmacists play related to the nation’s public health efforts.

HRSA appreciates APhA’s comments and continued support for the HPSL and LDS program objectives. HPSL and LDS program recipients with active revolving loan programs continue to issue loans to students, including pharmacy students, even in years when HRSA is not accepting applications for new grant awards.

A 30-day Federal Register Notice was published in the Federal Register on August 19, 2026; vol. 91, No. 159; pp. 53624-25.

Section 8B: Program staff contacted four HPSL, LDS, NSL and PCL schools. They reported no problems and there are no unresolved issues.

9. Explanation of any Payment/Gift to Respondents

Respondents will not be remunerated.

10. Assurance of Confidentiality Provided to Respondents

HRSA utilizes the Disability Claims in the Health Professions Student Loan Program and Nursing Student Loan Program (09-15-0038) record systems established for the HPSL, LDS, NSL, and PCL Programs, which cover the kinds of records maintained by the schools under these regulations. HRSA adheres to the National Archives and Records Administration General Records Schedule 4.2: Information Access and Protection Records. This schedule covers records created in the course of agencies (1) responding to requests for access to Government information and (2) protecting information that is classified or controlled unclassified or contains personal data that is required by law to be protected. Recipients are required to follow the guidance in 45 CFR § 75.361-365 for records retention and access.

Data will be kept private to the extent allowed by law.

11. Justification for Sensitive Questions

There are no questions of a sensitive nature.

12. Estimates of Annualized Hour and Cost Burden

12A. Estimated Annualized Burden Hours

The burden table in Table 1 shows the burden hours to complete the required forms.

Table 1: Total Estimated Annualized Burden Hours:

Instrument (HPSL, LDS, PCL, & NSL)	Number of Respondents	Responses per Respondent	Total Responses	Hours per Response	Total Burden Hours
Deferment - HRSA Form 519	2,060	1	2,060	0.50	1,030
AOR-HRSA-Form 501	726	1	726	12.00	8,712
Total	2,786		2,786		9,742

Financial Aid Administrators submit an Annual Operating Report (AOR) for each of their Health Career Loan and Scholarship (HCLS) Programs, which encompasses the HPSL, LDS, PCL, and NSL programs. The respondents for the Deferment-HRSA Form 519 form correspond to the number of students requesting a loan deferment annually. For both forms, each respondent submits one response, as indicated in the table. BHW used HCLS program data collected over a 3-year period and utilized AOR data to obtain estimates for the time required to review the instructions and complete the report and form for the HCLS Programs.

The burden table in Table 2 shows the burden hours to complete administrative requirements. These are not HRSA forms, and this table is used to show the administrative requirements necessary to complete the information collection instruments in Table 1.

Table 2: Total Estimated Annualized Burden Hours for Other Reporting Requirements

Regulatory/section requirements	Number of Respondents	Responses per Respondent	Total annual responses	Hours per response	Total hour burden
HPSL, LDS, and PCL Programs:					
Student Financial Aid Transcript	*4,600	1	4,600	0.25	1,150
Loan Information Disclosure	325	299.5	97,338	0.63	61,323
Entrance Interview	325	139.5	45,338	0.50	22,669
Exit Interview	334	113.5	37,909	1.00	37,909
Notification of Repayment	334	862.5	288,075	0.38	109,469
Notification During Deferment	333	17	5,661	0.63	3,566
Notification of Delinquent Accounts	334	172.5	57,615	1.25	72,019
Credit Bureau Notification	334	6	2,004	0.50	1,002
Write-off of Uncollectible Loans	520	1	520	3	1,560
Disability Cancellation	3	1	3	1	3
Administrative Hearings record retention	**10	1	10	1	10
Administrative Hearings reporting requirements	**10	1	10	1	10
HPSL/LDS/PCL Subtotal	**334*		*539,083*		*310,690*
NSL Program:					
Student Financial Aid Transcript	4,100	1	4,100	0.25	1,025
Entrance Interview	282	17.5	4,935	0.42	2,073
Exit Interview	348	9	3,132	0.42	1,315
Notification of Repayment	348	9	3,132	0.27	846
Notification During Deferment	348	1.5	522	0.29	151
Notification of Delinquent Accounts	348	42.5	14,790	0.04	592
Credit Bureau Notification	348	709	246,732	0.006	1,480
Write-off of Uncollectible Loans	23	1	23	3	69
Disability Cancellation	16	1	16	1	16
Administrative Hearings	10	1	10	1	10
NSL Subtotal	**348*		*277,392*		*7,577*

* Respondents include schools and individual requests for transcripts, and includes active and closing schools
** These figures are based on estimates and have not been exceeded in recent years.

The total reporting hour burden for the HPSL, LDS, NSL, and PCL schools is 318,267 which is inclusive of the time taken to complete forms.

12B. Estimated Annualized Burden Cost

The total cost burden for the reporting of the HPSL, LDS, NSL, and PCL Programs, as well as the forms, is $25,759,141.48 (please see Table 3 below for breakdown). Shared reporting burdens included: Entrance Interview, Exit Interview, Notification during Deferment, Notification of Delinquent Accounts, and Credit Bureau Notification. Some of these reporting burdens are shared with Title IV programs.

The wage rate used was the median wage for 11-9033 Education Administrators, Postsecondary (https://data.bls.gov/oes/#/area/0000000/2025). This category was determined to be the occupational category provides the closest position for the task required and the rate accounts for normal overhead costs. The median wage of $50.29 per hour was multiplied by 2 to account for overhead costs, for a total of $100.58 per hour.

Table 3: Total Estimated Annualized Burden Hours for Reporting Requirements

Regulatory/section requirements	Total burden hours	Hourly Wage Rate	Percent of shared time and cost	Total Respondent Costs
HPSL, LDS and PCL Programs:				
Student Financial Aid Transcript	1,150	$100.58	100%	$115,667.00
Loan Information Disclosure	61,323	$100.58	100%	$6,167,867.34
Entrance Interview	22,669	$100.58	50%	$1,140,024.01
Exit Interview	37,909	$100.58	50%	$1,906,443.61
Notification of Repayment	109,469	$100.58	100%	$11,010,392.02
Notification During Deferment	3,566	$100.58	50%	$179,334.14
Notification of Delinquent Accounts	72,019	$100.58	50%	$3,621,835.51
Credit Bureau Notification	1,002	$100.58	50%	$50,390.58
Write-off of Uncollectible Loans	1,560	$100.58	100%	$156,904.80
Disability Cancellation	3	$100.58	100%	$301.74
Administrative Hearings Record Retention	10	$100.58	100%	$1,005.80
Administrative Hearings Reporting Requirements	10	$100.58	100%	$1,005.80
HPSL/LDS/PCL Subtotal	*310,690*			*$24,351,172.35*
NSL Program:				
Student Financial Aid Transcript	1,025	$100.58	100%	$103,094.50
Entrance Interview	2,073	$100.58	50%	$104,251.17
Exit Interview	1,315	$100.58	50%	$66,131.35
Notification of Repayment	846	$100.58	100%	$85,090.68
Notification During Deferment	151	$100.58	50%	$7,593.79
Notification of Delinquent Accounts	592	$100.58	50%	$29,771.68
Credit Bureau Notification	1,480	$100.58	50%	$74,429.20

Regulatory/section requirements	Total burden hours	Hourly Wage Rate	Percent of shared time and cost	Total Respondent Costs
Write-off of Uncollectible Loans	69	$100.58	100%	$6,940.02
Disability Cancellation	16	$100.58	100%	$1,609.28
Administrative Hearings	10	$100.58	100%	$1,005.80
NSL Subtotal	*7,577*			*$479,917.47*
Reporting Requirements Subtotal	**318,267**			**$24,831,089.82**
AOR HRSA-501	8,712	$100.58	100%	$876,252.96
Deferment HRSA- 519	1,030	$100.58	50%	$51,798.70
Forms Subtotal	*9,742*			*$928,051.66*
Total	**328,009**			**$25,759,141.48**

13. Estimates of other Total Annual Cost Burden to Respondents or Recordkeepers/Capital Costs

Respondents maintain the required information for their own purposes and the reports are generated automatically. The computers are used to generate the reports for usual and customary school operations.

Table 4: Total Estimated Annualized Cost for Recordkeeping Requirements

Regulatory/section requirements	Total Burden Hours	Hourly Wage Rate	Percent of shared time and cost	Total Respondent Costs
HPSL, LDS, and PCL Programs:				
Documentation of Cost of Attendance	454	$100.58	50%	$22,831.66
Promissory Note	540	$100.58	100%	$54,313.20
Documentation of Entrance Interview	540	$100.58	50%	$27,156.60
Documentation of Exit Interview	176	$100.58	50%	$8,851.04
Program Records	4,750	$100.58	100%	$477,755.00
Student Records	4,750	$100.58	50%	$238,877.50
Repayment Records	9,286	$100.58	50%	$466,992.94
HPSL/LDS/PCL Subtotal	*20,496*			*$1,296,777.94*
NSL Program:				
Documentation of Cost of Attendance	76	$100.58	50%	$3,822.04
Promissory Note	152	$100.58	100%	$15,288.16
Documentation of Entrance Interview	152	$100.58	50%	$7,644.08
Documentation of Exit Interview	68	$100.58	50%	$3,419.72

Program Records	2,430	$100.58	100%	$244,409.40
Student Records	486	$100.58	50%	$24,440.94
Repayment Records	1,220	$100.58	50%	$61,353.80
NSL Subtotal	*4,584*			*$360,378.14*
Recordkeeping Requirements Total	**25,080**			*$1,657,156.08*

BHW used HCLS program data collected over a three-year period to measure the average time spent on each Financial Aid Administrative task. The number of HCLS recipients corresponds to the number of active and closing recipients in Table 2. Each Financial Aid administrative burden hours varied based on the required task(s) associated with the student loan(s).

The estimates of burden for the schools are for the maintenance of required records on the history and status for each loan account. The total burden for the HPSL, LDS, NSL, and PCL schools is 25,080. Additional detail can be found in Table 5.

Table 5: Total Estimated Annualized Burden Hours for Recordkeeping Requirements

Regulatory/section requirements	Number of Record keepers	Hours per year	Total Burden Hours
HPSL, LDS, and PCL Programs:			
Documentation of Cost of Attendance	432	1.05	454
Promissory Note	432	1.25	540
Documentation of Entrance Interview	432	1.25	540
Documentation of Exit Interview	475	0.37	176
Program Records	475	10.00	4,750
Student Records	475	10.00	4,750
Repayment Records	475	19.55	9,286
HPSL/LDS/PCL Subtotal			*20,496*
NSL Program:			
Documentation of Cost of Attendance	304	0.25	76
Promissory Note	304	0.50	152
Documentation of Entrance Interview	304	0.50	152
Documentation of Exit Interview	486	0.14	68
Program Records	486	5.00	2,430
Student Records	486	1.00	486
Repayment Records	486	2.51	1,220
NSL Subtotal			*4,584*
Recordkeeping Requirements Total			**25,080**

The estimate of cost for the schools for the maintenance of required records is $*1,657,156.08* per year. A detailed breakdown is provided in Table 4.

The wage rate used was the median wage for 11-9033 Education Administrators, Postsecondary (https://data.bls.gov/oes/#/area/0000000/2025). This category was determined to be the occupational category provides the closest position for the task required and the rate accounts for normal overhead costs. The median wage of $50.29 per hour was multiplied by 2 to account for overhead costs, for a total of $100.58 per hour.

14. Annualized Cost to the Federal Government

The Federal government reviews the cancellation of write-offs and disability claims. The total cost to the Federal Government to perform the review of requests for cancellation of write-offs and disability claims is $8,520. The estimated cost of the contracted staff person to review requests is calculated at approximately 4 percent of the annual salary of a (GS-13-Step 6 grade level) and accounts for overhead and benefits. Cancellations are considered to be write-offs and disability claims.

15. Explanation for Program Changes or Adjustments

There are no programmatic changes or adjustments anticipated for this renewal period.

16. Plans for Tabulation, Publication and Project Time Schedule

The Health Professions Loan Program Grantee Report contains information on our recent grant awardees by state or territory. HRSA has in place the tabulation, statistical analysis or publication of the information in this limited aggregate format to ensure compliance with the Open Government Data Act while protecting privacy. Federal laws protecting personal privacy (PII) limit public data releases to aggregated formats. While the Open Government Data Act encourages open data, only data in this anonymized form can be published on https://data.hrsa.gov/

17. Reason(s) Display of OMB Expiration Date is Inappropriate

No exemption is being requested.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

This information fully complies with the guidelines in 5 CFR 1320.9. The certifications are included in this package.