

THE JOHN MARSHALL LAW SCHOOL LRAP PROGRAM ELIGIBILITY GUIDELINES

What is LRAP?

The John Marshall Law School recognizes that government and public interest jobs offer excellent opportunities for law graduates, but the necessity of paying off school loans and the lower pay levels of these jobs can discourage graduates from pursuing these positions. Therefore, John Marshall established a Loan Repayment Assistance Program (LRAP) to aid eligible graduates in law school debt repayment. LRAP is a newly created program that assists graduates working in qualified public interest employment. This assistance is in the form of forgivable loans with the intention of encouraging public interest attorneys to remain in their field of work.

Who is eligible?

Graduates

To be eligible, an applicant must be a graduate of the **Juris Doctor** program of The John Marshall Law School.

Employment Eligibility

Recipients must be employed **full-time** in a qualified legal position in a governmental unit, federal, state, or local government agency (including the state's attorney's or public defender's office), or in a nonprofit 501 (c)(3) organization including charities, social service organizations, schools, foundations, and research organizations.

Qualifying Employment

A qualified legal position must be a) law related and b) public interest in content. Law related means that the position must substantially utilize the legal training and skills of the graduate. Public interest is defined as employment where the applicant's law related work is primarily on behalf of economically disadvantaged or under-represented groups or organizations.

How is loan need determined?

Qualifying Salary

Salary from the qualifying employment may not exceed \$60,000 for 2008. The qualifying salary from a married applicant will be one half of the combined salaries.

Exemptions for dependents

For each qualifying dependent (as determined by their prior year federal income tax return), \$3,400 may be deducted from the qualifying salary used for eligibility. This amount is annually fixed to the prevailing exemption permitted by the IRS.

Debt Requirements

The applicant must have a current minimum amount of \$60,000 in outstanding student loan debt. This debt must have been obtained while enrolled in law school. Further, the applicant must not currently be in default on any of their student loans.

What is the length of eligibility?

Length of Eligibility

The LRAP program is open to all graduates from the past three (3) calendar years. For the 2009 LRAP program, students who graduated in January 2007 or later are eligible.

How often do I need to apply?

Eligible applicants must apply for the LRAP each year they want to participate.

Is there a maximum amount that I can receive?

The maximum total award a graduate may receive under LRAP is \$5,000 dollars per year. The maximum annual amount may be adjusted by the LRAP committee at its discretion prior to awarding of new LRAP loans in consideration of budget and other funding restraints. The amount of the awards is also dependent on the total number of applicants and the funding available.

How is LRAP Disbursed?

Disbursement Procedures

LRAP will be distributed twice a year in the form of a check mailed directly to the recipient. Disbursements will be made in the form of a six month forgivable loan in November and April. If the participant has remained in qualifying employment, the award is granted 100% forgiveness upon the next disbursement. The loan will be forgiven pro rata if the participant works less than six months in a qualifying position. Upon leaving a qualifying position, any remaining balance due on the loan will be payable in full within six months.

Tax Information

Assistance under this plan may be non-taxable under 26 U.S.C. section 108(f) for participants who work for government entities or 501(c)(3) not-for-profit organizations. John Marshall Law School is not in a position to give individual tax advice on these matters; participants should seek their own professional advice.

How is the fund administered?

LRAP Committee

The LRAP Committee is composed of faculty, staff, students, and alumni. The committee will annually review the program and suggest changes as appropriate. Fund distribution is coordinated by the Business Office.

Selection of Recipients

Loan repayment assistance is not guaranteed for any JD graduates. Selection of the recipients and the amount of the award depend on the availability of program funds. Preference is given to graduates with a demonstrated commitment to public service work and the highest debt to income ratios and lowest salaries.

How do I apply?

Graduates must submit application materials for participation in the program by September 15, 2009. The materials must include: 1) a completed application form; 2) statement(s) from loan creditor(s) verifying all law school loans (copies are sufficient); 3) a copy of your and/or your spouse's 2008 federal tax return; and 4) An Employer Certificate form verifying your dates of employment and salary. Complete packets should be submitted to: Rachel Dawson, JMLS Public Interest Counselor.

To qualify for the second disbursement, participants must send in a completed Employer Certificate form and a promissory note by April 1.