

## American Bar Association Legislative Priority Access to Legal Education

### Loan Repayment Assistance for Public Interest Lawyers Thurgood Marshall Legal Educational Opportunity Program

On July 31, 2008, Congress approved H. Rept. 110-803, the conference report to H.R. 4137, the Higher Education Opportunity Act, clearing the way for President signature. With the passage of this legislation come several programs promoted by the American Bar Association and our allies, as follows.

#### **The John R. Justice Prosecutors and Defenders Incentive Act (Section 951)**

This program, championed by Sen. Richard Durbin (D-IL), and joined last Congress and this by Sen. Arlen Specter (R-PA), and in the House by Rep. David Scott (D-GA), Rep. Bobby Scott (D-VA) and Rep. Ted Poe (R-TX), provides student loan relief to prosecutors and public defenders including for juvenile delinquency proceedings, and those who provide education and training. The program provides up to \$10,000 per year, in exchange for a one-time renewable 3-year commitment, to a maximum \$60,000. Given the recruitment purpose of the legislation, priority will be given to those with fewer than 3 years of service; and those least able to repay. Additional rules will be promulgated by the Department of Justice, including how the money will be distributed to ensure parity between prosecutors and public defenders, and among the state and local jurisdictions. The program will be authorized for just six years, at \$25 million, plus such sums as necessary to carry out the program. The Inspector General will conduct a study at year three to report on the efficacy of the program.

#### **The Legal Assistance Loan Repayment Program (Section 431)**

This program, championed by Sen. Tom Harkin (D-IA), and joined in amending it to S.1642, the Senate counterpart to H.R. 4137, by Sen. Benjamin Cardin (D-MD), provides civil legal assistance lawyers, including those who work with those with disabilities, loan repayment of up to \$6,000 per year, in exchange for a renewable three-year commitment, to a maximum of \$40,000. As a recruitment tool, the program gives priority to those with less than five years of civil legal assistance practice, and fewer than three years in the present office. The program is authorized indefinitely at \$10 Million per year. Language would prevent benefiting from both this program and related ones, e.g., the 428K forgiveness program for jobs of national need and the College Cost Reduction and Access Act program, the parameters of this, and additional regulations, to be promulgated by the Department of Education.

#### **428K Loan Forgiveness for Service in Jobs of National Need (Section 430)**

This program provides a lengthy list of jobs considered to ones of "national need." Among the list, it includes "Public Sector Employees," which in turn includes "public interest legal services (including prosecution, public defense, or legal advocacy in low-income communities at a nonprofit organization)." This program would provide no more than \$2,000 per year, and for no more than 5 years and \$10,000. It will be administered by the Department of Education. Again, this program includes a prohibition on persons benefiting from it, and other loan forgiveness programs.

**Perkins Loan Cancellation for Public Service (Section 465)**

This program cancels a percentage of a borrower’s outstanding Perkin’s loan debt for performing certain kinds of public service jobs. In Conference Committee, language was added extending this program’s reach to "a full-time attorney employed in a defender organization established with section 3006A(g)(2) of Title 18", i.e., (A) federal public defender, and (B) community defender. The program cancels 15% for the first or second year; 20% for the third or fourth year, and 30% for the fifth, or 100% forgiveness for 5 years service. In addition, Congress also increased the loan limits under the Perkins program for graduate and professional students to \$8,000 per year, to a maximum of \$60,000.

**Thurgood Marshall Legal Educational Opportunity Program**

In addition to these loan repayment and forgiveness programs for law graduates, the Thurgood Marshall Legal Educational Opportunity Program helps promising but disadvantaged students pursue an education in the law, who are then encouraged to, in turn, provide services to their communities. The program is administered by the Council on Legal Education Opportunity, a nonprofit project of the ABA Fund for Justice and Education since 1968. CLEO provides practical and financial assistance, including course-selection and guidance, testing preparation and other forms of coaching and mentoring throughout a student’s journey, including need-based stipends of up to \$10,000. Under H.R.4137, the program will be able to reach students as early as middle school and high school, provide law graduates assistance with bar exam preparation, and to better collaborate with state-based and state bar association programs with a similar mission.

**Loan Forgiveness and Repayment Assistance Programs  
Approved under H.R.4137**

	<i>Provides</i>	<i>To Whom</i>	<i>For</i>	<i>Funding; Other</i>
<b>The John R. Justice Prosecutors and Defenders Incentive Act (Section 951)</b>	Up to \$10,000 per year to a maximum of \$60,000.	Full-time state and local prosecutors and public defenders; federal defenders, their juvenile delinquency and tribal counterparts, and those who educate and train	A one-time renewable three-year commitment; priority to those with fewer than three years service.	\$25 Million for six years, IG report on progress in three years. Administered by Dept of Justice.
<b>The Legal Assistance Loan Repayment Program (Section 431)</b>	Up to \$6,000 per year to a maximum of \$40,000.	Full-time Civil Legal Assistance lawyers and those who work with certain disability cases.	A renewable three-year commitment; priority for those with less than five years full time experience, and fewer than three years in the office.	\$10 Million. Cannot benefit under this program and either 428K or College Cost Reduction Act program for public service. Administered by Dept of Education.
<b>428K Loan Forgiveness for Service in Service of National Need (Section 430)</b>	Up to \$2,000 per year, to a maximum of 5 years.	Public interest legal services (including prosecution, public defense, or legal advocacy in low-income communities at a nonprofit organization	Full-time service in a qualifying position of national need.	\$20 Million for more than a dozen job sectors. Administered by Dept of Education
<b>Perkins Loan Cancellation for Public Service (Section 465)</b>	Up to 100% cancellation of Perkins in 5 years	Federal public and community defenders	Full-time service	No appropriation necessary. Law increases Perkins limits for grad students to \$8,000 per year, \$60,000 max. Administered by Dept of Education