

## **Loan Repayment Assistance Program Policies & Process**

### **Purpose of the LRAP Program**

The Loan Repayment Assistance Program (“LRAP”) facilitates the employment of talented University of Oregon School of Law graduates in legal institutions serving the public interest. The LRAP seeks to ease the debt burdens incurred during law school for those who choose to work in qualifying public interest law jobs. The University of Oregon School of Law (“Oregon Law”) recognizes that entering public interest service is often impossible for graduates repaying large educational debts and adhering to standard loan repayment schedules. Support from LRAP makes public interest law a more viable career option for law graduates.

### **Eligibility**

In order for a graduate to qualify for LRAP support, the applicant must meet the eligibility threshold:

- Graduated from Oregon Law no more than five years prior to application for LRAP support. Students who will graduate in December of the application year are eligible to apply.
- Works in a qualified public interest law job.
- Have an *adjusted gross income* of \$65,000 or less annually.
- Have outstanding law school loan obligations.

### **Process Overview**

The LRAP Selection Committee composed of faculty, staff, students and alumni will evaluate the applications and choose the LRAP recipients. The Committee will look at several financial factors to make its decisions, such as income levels, debt obligations, undergraduate and other graduate debt, debt/income of partner or spouse, as well as the applicant’s prior commitment to public interest activities and stated public interest career objectives. Those graduates receiving LRAP assistance will be given short-term LRAP loans not to exceed \$5,000 per year. A recipient’s LRAP loan is forgiven after completing a year of work in a qualified public interest law job.

Applicants who are not selected are welcome to reapply the following year as long as they meet the eligibility requirements.

A recipient may reapply for two additional years of support as long as the original successful application is within the timeframe stated in the above *Eligibility* section. If the reapplication years fall beyond this timeframe, the reapplication years must be immediately subsequent to the year of the original successful application.

### **Loan Forgiveness**

The LRAP forgives a loan when an LRAP recipient works in a qualified public interest law position during the calendar year for which the loan was made. If a loan recipient leaves qualified work, it is the recipient’s responsibility to notify the LRAP administration immediately and make arrangements to repay Oregon Law for the outstanding balance of his or her LRAP loan.

## **Maximum Benefits under the LRAP**

The program places two caps on the maximum level of benefits an individual may receive under the program. The maximum annual amount that a graduate may receive is \$5,000 per year. A graduate may apply for three years of support, capping the total support for an individual at \$15,000.

## **Selection Process**

The LRAP Selection Committee will consider the following criteria, with Tier 1 factors weighted more heavily, followed by Tier 2:

### Tier 1: Commitment to Public Service/Ability to Make an Impact

- The applicant's prior commitment to public service as demonstrated by jobs, internships, public service student group involvement, or pro bono work
- The applicant's stated public service career objectives
- The applicant's ability to make an impact with his or her target population, cause or organization
- Those reapplying for LRAP assistance after successfully receiving an LRAP award are asked to provide less information about this criterion when reapplying, given that these recipients have previously demonstrated a commitment to public service and an ability to make an impact

### Tier 2: Financial Situation & Fiscal Management Considerations

- Whether the applicant is eligible for and enrolled in an income based repayment plan such as Income Based Repayment (IBR) or Pay as You Earn (PAYE); the Committee will look more favorably upon applicants who are eligible for Public Service Loan Forgiveness (PSLF) if they are enrolled in these payment plans, as enrollment is indicative of a long-term commitment to public service
- Whether the applicant has private loans that are not eligible for PSLF, IBR and PAYE; the Committee has the discretion to award funds in excess of PAYE or IBR payments if the candidate also has private loans not eligible for PSLF, PAYE or IBR
- Whether the applicant is enrolled in any other LRAP Program; the Committee will not fund an applicant whose loan payments are covered by a different LRAP
- Applicant's income level
- Law school debt
- Undergraduate and other debt
- Debt/income of partner or spouse
- Any steps the applicant has taken to limit indebtedness/reduce debt; the Committee will favorably consider debt-limiting actions such as part-time work during school, living within a budget, etc.

## **LRAP Awards, PAYE, and IBR**

The LRAP Committee prefers that applicants who are eligible for PAYE or IBR enroll in one of these payment plans if applicants are eligible for PSLF. The Committee will not require applicants to choose PAYE or IBR, but usually limits an LRAP award to the amount a candidate would pay if enrolled in PAYE or IBR. The [U.S. Department of Education's webpage](#) regarding repayment of student loans includes information about repayment plans, as well as calculators to use to estimate payments under different plans.

## **Definitions**

The following definitions have been created for the LRAP:

### Qualified Public Interest Law Job

- Employment in an organization that qualifies for tax exempt status under Internal Revenue Code section 501(c)(3), (4), or (5); or in a federal, state, tribal or local government unit.
- The Committee will view more favorably work that focuses on providing legal aid, legal services, or criminal justice services to or on behalf of persons or organizations that could not otherwise obtain like services.
- Judicial clerkships serve as qualifying employment, but the Committee will closely scrutinize applications from judicial clerks for long term commitment to and plans for pursuing careers in public interest work.

### Partner

"Partner" is, for LRAP purposes, either

- A spouse to whom the applicant is legally married;
- An individual who is registered as the applicant's domestic partner; or
- An unmarried partner of the applicant who provides, or is eligible to provide, health benefits to, or receives, or is eligible to receive, health benefits from, the applicant.

### Assets

The definition of "assets" includes the following:

- All stocks, bonds, mutual funds or any other instruments, aside from individual retirement accounts and college investment plans;
- Any beneficial interest in a trust;
- Any interest in an annuity or life insurance policy, but being named as a beneficiary in a life insurance policy shall not be considered an asset;
- Capital assets, including any real property. The Committee will evaluate real property based on its net value (market value minus mortgage liability); and
- Net value of automobiles owned (market value minus remaining loan balance).