

**The Florida Bar Foundation  
Loan Repayment Assistance Program  
Program Description  
2015**

**Purpose:** To strengthen and expand legal assistance for the poor by supporting the recruitment and retention of the most qualified legal aid and legal services staff attorneys (staff attorneys) who are employed by legal assistance organizations that receive General Support grant funding from the Florida Bar Foundation (Foundation). Staff attorneys participating in the Loan Repayment Assistance Program (LRAP) are expected to use the funds to pay down and reduce their student loan debt.

1. **Term of Assistance.** The program will provide benefits to staff attorneys during the duration of their employment at a legal assistance organization that receives General Support grant funding from the Florida Bar Foundation (a qualified legal aid organization). Once admitted as a participant, a legal aid or legal services staff attorney may remain a participant in the program during their career subject to employer certified and continued eligible employment, bar admission, and re-application. Continued benefits and the amount and terms of such benefits are ***subject to the Foundation's availability and allocation of annual funding for this program.*** In the event that funding is not available, the LRAP program may be suspended or discontinued.
2. **Benefit Award Amount.** Each participant will receive a standardized LRAP amount of \$5,000 per year that they apply for LRAP and are employed at a qualified legal aid organization, subject to the Foundation's availability of annual funding for the LRAP program. Participants who receive LRAP benefits in excess of their annual loan payments shall pay the excess LRAP funds to their student loan lender(s) for the specific purpose of reducing their student loan debt. In the event an applicant's principal balance is equal to or less than the maximum annual benefit amount, an applicant will qualify for a loan in the amount of the principal balance. The benefit amount may be reduced by the Foundation, at its discretion, if funding is not available to maintain benefits at the \$5,000 standardized level.
3. **Nature of Benefits.**
  - a. Benefits will be in the form of one-year loans (loan period) which will be forgiven annually at the end of each year provided the staff attorney remains employed on a full time or at least part time (50% or greater FTE) basis for the full loan year by a qualified legal aid organization and is in compliance with the LRAP requirements. Benefits are designed to be non-taxable under federal tax law. Loans shall be for one year with loan proceeds disbursed semi- annually. The loan shall be evidenced by a promissory note in a form required by the Foundation executed by the borrower (participant) and shall bear interest at a rate of 3%.
  - b. If an LRAP participant/staff attorney voluntarily resigns or is terminated for cause during the term of the LRAP loan period, all LRAP benefits received during the course of the LRAP loan period shall be repayable to the Foundation according to

the terms of the promissory note.

- c. Any LRAP participating staff attorney laid off or terminated involuntarily and without cause due to a decline in grantee revenue or funding shortages, shall be eligible for loan forgiveness on a pro rata basis, based upon the actual number of months the staff attorney was employed. For example, a staff attorney participating in LRAP who is laid off or terminated involuntarily and without cause during the 9<sup>th</sup> month of their 12 month loan period due to a decline in grantee revenue or funding shortages would be eligible for forgiveness of his/her LRAP loan to the extent of 75% of the amount of LRAP loan for that year. S/he would be required to repay the Foundation the remaining 25% of the LRAP benefits received in accordance with the terms of his/her promissory note.

4. Eligibility Standards. Applicants and participants must meet the following eligibility standards:

- a. Be employed on a full-time basis or at least 50% FTE part time basis by a legal assistance for the poor program currently receiving a general support grant from the Foundation;
- b. Contract attorneys, or attorneys who are employed for a specific duration or for a specific project or purpose and who are not considered to be staff attorneys that receive all of the qualified legal aid organization's benefits, are not eligible to participate in the Foundation's LRAP;
- c. Applications and supporting materials must be timely submitted during the once annual LRAP application period.
- d. Admission to The Florida Bar by the end of the first year after having been selected as a participant and thereafter a member in good standing of The Florida Bar; and
- e. Be in full compliance with LRAP requirements, if a current LRAP participant.

5. Debt Eligibility. The program will cover a participant's student loans associated with obtaining their law degree. Student loans associated with undergraduate, law school, and LLM programs are considered eligible debt for the Foundation's LRAP.

6. Application Process and Selection of Participants. All staff attorneys with student loans who are employed at a qualified legal aid organization and who meet the standards of paragraphs 4 and 5 above are eligible to apply. New applicants and current participants must follow the application process as follows:

- a. On-line applications will be available one time per year. Application information will be distributed to grantee organizations for distribution to staff attorneys prior to the application period. Applications will typically be made available three months

prior to the upcoming year's LRAP period;

- b. Applications and supporting materials will only be accepted one time per year. Due to funding limitations, LRAP applications will not be accepted at any other times during the year to accommodate new hires at qualified legal aid organizations;
- c. The Foundation shall make final LRAP participant selection and funding decisions.

7. Timing of Selection, Loan Disbursements, and Forgiveness.

- a. Timing of LRAP Participant Selection: Selection of participants will typically be in December of each year for the upcoming calendar year's LRAP. However, the Foundation reserves the right to change both the selection and loan period for administrative purposes.
- b. Loan Disbursements: Loan disbursements will be semi-annually. Loan disbursements are subject to and conditional upon participant's continuing eligible employment and certification that the participant is using the loan proceeds in accordance with the terms of this program
- c. Loan Forgiveness: Participants will be eligible for LRAP loan forgiveness (meaning they will not have to repay their LRAP to the Foundation) after they have been in the program for a 12-month period (the loan period). In order to obtain loan forgiveness, participants shall provide certification of eligible employment and proof of lender payment history showing that they have spent the entirety of their LRAP funds on student loans as detailed in their LRAP application and in accordance with the purpose of the program. The LRAP forgiveness process (the request for forgiveness process) is typically initiated in the month following completion of a full 12-month period as an LRAP participant. LRAP loans are forgiven at the next Foundation Board of Directors meeting that follows the processing of the participants' requests for forgiveness.

8. Resourcing the Program. To reduce the financial burden to eligible legal aid organizations with staff attorneys participating in the Foundation's LRAP, the Foundation will fund the LRAP program in its entirety. Benefits are subject to the Foundation's availability and allocation of funding for the program. In the event that funding is not available, benefits may be reduced, or the program may be suspended or discontinued.

**Adopted by the Foundation's Board of Directors on December 5, 2014**