

**Summary of State Loan  
Repayment Assistance  
Programs**

**October 31, 2006**

**Prepared for the Standing  
Committee on Legal Aid and  
Indigent Defendants  
of the American Bar  
Association**

**Loan Repayment Assistance Programs  
10/31/06**

**Summary**

State	Year Created or Began Assistance	Creating Entity/Administration	Number of Recipients	Time Limits And Maximum Years of Assistance	Range & Maximum Annual Grant/ Loan Amounts
Arizona	1990	Bar Foundation	16 (2006)	None	Max: \$6,000 Average: \$2,278 Range: \$469 - \$6,000
District of Columbia	2006	DC City Council/Bar Foundation	? (2007)	No time limit, but maximum of \$60,000 of assistance	Max: \$12,000
Florida	2002	Bar Foundation	74 (2006)	Up to 5 years of assistance	Max: \$6,000
Indiana	2005/2006	Bar Foundation	Begins in 2007	None	Max: \$5,000
Kentucky	2005/2006	The Student Loan People	44 (2006)	None	Max: \$10,000 (20% of original principal balance per year) Average: \$9,857
Maine	2003	Bar Foundation	9 (FY06)	None	Max: \$5,000
Maryland	1988	Office of Student Financial Assistance of MD Higher Education Commission	52 (2006)	Priority given to applicants who graduated within last 3 years	Max: \$10,000 Average: \$3,225
Massachusetts	2001	Independent Non-profit	27 (FY05)	Set by local programs	Set by local programs
Minnesota	1991	Independent Non-profit	47 (FY06)	Must apply within 3 years of graduation or end of clerkship if that was first employment; up to 15 years of assistance	Max: individual formula Average: \$2,374

State	Year Created or Began Assistance	Creating Entity/Administration	Number of Recipients	Time Limits (Beginning and Ending)	Range & Maximum Annual Grant Amounts
Missouri	2005	Bar Foundation & Bar Association	34 (so far) (2006)	Apply within 3 years of graduation (6 years if had clerkship); up to 15 years of assistance	Max: \$4,000 Average: \$1,000 for 6 months
Montana	2006	Access to Justice Foundation	6 (2006)	Eligible after 6 months of employment (waiver possible); up to 5 years of assistance	Max: \$2,500
New Mexico	2006	NM Department of Education	Will select in late 2006	None	Max: \$7,200
New Hampshire	1999	Bar Foundation	16 (FY06)	None	Max: none \$1,500 - \$7,000
New York	2003	Bar Association	5 <sup>1</sup> (2006)	Begin assistance within 5 years of bar admission; up to 10 years of assistance	Max: \$5,000
North Carolina	1989	Independent Non-profit	94 (FY05)	Graduated within last 10 years	Max: \$7,000; Range: \$300 - \$7,000
Texas	2003	ATJ Commission/ Bar Foundation	30 (FY07)	Graduated within last 10 years, with preference given to those within last 5 years	All receive \$4,800
Washington	2005/2006	WSBA Task Force/Bar Foundation with LRAP Advisory Committee and WSBA staff	5 (2006)	5 years of assistance given to each recipient	All receive \$5,000

State	Full-time Employment Requirement <sup>2</sup>	Income Cap <sup>3</sup>	Law Licensure Requirement <sup>4</sup>	Grant/ Loan/ Forgiveness	Specific Law School Requirements
Arizona <sup>5</sup>	No	\$50,000	Yes	Loan	No
District of Columbia <sup>6</sup>	No	\$65,000	Yes	Loan	Preference
Florida <sup>7</sup>	Yes	\$40,000+	Yes	Loan	No
Indiana <sup>8</sup>	No	\$50,000	Yes	Loan	No
Kentucky	Yes	None	Yes	Forgiveness	No
Maine <sup>9</sup>	No	None	Yes	Loan	No
Maryland <sup>10</sup>	Yes	\$60,000/ \$130,000 if married	Yes	Grant	No
Massachusetts <sup>11</sup>				Loan	
Minnesota <sup>12</sup>	Disabled may apply for waiver for part-time	\$42,528	Yes	Loan	Yes
Missouri <sup>13</sup>	Full-time may re-apply if become part-time involuntarily	\$46,000	Yes	Loan	ABA-accredited
Montana <sup>14</sup>	Yes	\$40,000	Yes	Loan	No
New Hampshire <sup>15</sup>	No	None	Yes	Loan	No
New Mexico <sup>16</sup>	No	\$45,000	Yes	Grant	Preference
New York <sup>17</sup>	Yes	\$40,000- \$60,000	Yes	Loan	ABA-accredited
North Carolina <sup>18</sup>	Yes	\$40,000- \$49,000	Yes	Loan	ABA-accredited
Texas <sup>19</sup>	Yes	\$45,000/ \$80,000 if married	Yes	Loan	ABA-accredited
Washington <sup>20</sup>	Waiver request for part-time	\$50,500	Yes	Loan	No

<sup>1</sup> New York: The participants are chosen by lottery.

<sup>2</sup> Full-time requirements vary from 32 to 35 hours per week.

<sup>3</sup> The LRAPs vary in how and what income is counted. Minnesota and Missouri's cap is after certain deductions are given. Texas is household income, and some states count spouse or domestic partner's income and some expenses.

<sup>4</sup> Many states allow applicants to be unlicensed at the time of application, but must be licensed within a certain period of time.

<sup>5</sup> Arizona: Part-time attorneys receive pro-rated assistance. Applicants must be members of the State Bar of Arizona with the possibility of waiver of this requirement; or be licensed by another state and employed by an approved non-profit legal organization assisting immigrants.

<sup>6</sup> District of Columbia: Applicants must be licensed to practice in DC or with another state and an application is pending with DC or be authorized under the provisions of Rule 49(c)(9) of the DC Court of Appeals. Graduates of accredited public schools of law in DC are given preference if applicants exceed funding.

<sup>7</sup> Florida: The income cap is \$40,000 for a newly graduated staff attorney with \$3,000 increments to the salary for each year of legal experience. Recipients must be admitted to the Florida Bar by the end of the first year after having been selected as a participant.

<sup>8</sup> Indiana: Assistance to part-time attorneys is pro-rated. Law licensure requirement may be waived for up to 12 months.

<sup>9</sup> Maine: Part-time attorneys receive pro-rated assistance.

<sup>10</sup> Maryland: Preference given to individuals who have graduated in the last three years. A check is issued that is co-payable to the recipient and the loan holder.

<sup>11</sup> Massachusetts: Eligibility and benefits are set by local programs.

<sup>12</sup> Minnesota: Recipients must be graduates of Minnesota law schools or ABA-accredited law school (if employed by qualified Minnesota agency), and must be licensed in Minnesota.

<sup>13</sup> Missouri: Applicants may apply without a license, but must have a license to receive a loan.

<sup>14</sup> Montana: Recipients must be admitted to the State Bar of Montana by the end of the first year after having been selected as a participant.

<sup>15</sup> New Hampshire: Part-time attorneys receive pro-rated assistance.

<sup>16</sup> New Mexico: Applicants must be licensed in New Mexico. Preference is given to applicants who graduated from the University of New Mexico law school, have the greatest financial need, and have the lowest salaries. The award is a grant, but interest, along with the grant amount must be repaid if a recipient does not fulfill his or her obligations.

<sup>17</sup> New York: Applicants will not receive assistance until admitted to New York Bar.

<sup>18</sup> North Carolina: Recipients must be a licensed member in good standing of a state Bar.

<sup>19</sup> Texas: Recipients must have passed the TX bar exam or been admitted to the Bar through reciprocity.

<sup>20</sup> Washington: Part-time employees may apply for a waiver, and will receive pro-rated benefits if become a recipient. The income cap is for 2006 applicants. This may be increased, and if a recipient's salary increases above the cap, he or she remains eligible.

**Loan Repayment Assistance Programs  
10/31/06**

**Eligible Employment<sup>1</sup>**

LRAP	Civil Legal Aid	Nonprofit Organizations	Prosecutors	Public Defenders	Government	Other Employment	Employment Required in State
Arizona <sup>2</sup>	●	●					●
District of Columbia <sup>3</sup>	●						●
Florida <sup>4</sup>	●						●
Indiana	●						
Kentucky <sup>5</sup>	●		●	●	●		●
Maine <sup>6</sup>	●						●
Maryland <sup>7</sup>	●	●	●	●	●		●
Massachusetts <sup>8</sup>	●						●
Minnesota <sup>9</sup>	●	●	●	●	●	●	"
Missouri <sup>10</sup>	●		●	●	●		●
Montana <sup>11</sup>	●	●					●
New Hampshire <sup>12</sup>	●						●
New Mexico <sup>13</sup>	●		●				●
New York <sup>14</sup>	●	●	●	●	●		●
North Carolina <sup>15</sup>	●	●	●	●	●		●
Texas <sup>16</sup>	●						●
Washington <sup>17</sup>	●	●	●	●	●		●

<sup>1</sup> All programs, but two, are solely for attorneys. Massachusetts includes paralegals who work for civil legal aid and Maryland includes lawyers, doctors, nurses, social workers and other public service employees.

<sup>2</sup> Arizona: Other employment includes other IOLTA grantees, such as non-profit capital defense.

<sup>3</sup> District of Columbia: Only attorneys employed by an organization that is eligible for DC Bar Foundation funding is eligible. Attorneys funded with DC government funding must live in DC.

<sup>4</sup> Florida: Only attorneys employed by an IOTA-funded legal assistance for the poor grantee are eligible.

<sup>5</sup> Kentucky: Eligible public defenders work for the state public defender system. Prosecutors include assistant commonwealth's attorneys and assistant county attorneys. Government employment includes clerks of Kentucky Supreme Court, Court of Appeals, and Circuit Court.

<sup>6</sup> Maine: Only attorneys employed by Pine Tree Legal Assistance are eligible.

<sup>7</sup> Maryland: Eligibility for government attorneys is limited to state and local government settings. Judicial clerks are not eligible.

<sup>8</sup> Massachusetts: If a recipient has an involuntary departure (lay-off or end of fixed term of employment), he or she may fulfill the commitment at a non-profit or government agency that primarily serves low-income individuals or families in Massachusetts.

<sup>9</sup> Minnesota: Government employment includes local, state, federal, tribal, or foreign governments. Qualifying "other employment" includes Native American court systems, Native American public interest organizations and international non-governmental organizations. Judicial clerks are not eligible. Graduates of Minnesota law schools may work in or out-of-state, including internationally. Others who are eligible, but graduated from a non-Minnesota law school, must work in Minnesota.

<sup>10</sup> Missouri: Currently four civil legal aid programs and the Missouri State Public Defender System are qualifying employers. Government employment includes local, state or federal government and certain positions within the court systems, but not judicial clerkships.

<sup>11</sup> Montana: Six qualified employers who provide civil legal assistance are approved by the Foundation. Employers can apply for approval.

<sup>12</sup> New Hampshire: Only attorneys employed by four specified civil legal aid organizations are eligible.

<sup>13</sup> New Mexico: Eligible employment includes non-profits that provide civil legal services to indigent person in New Mexico, the public defender department, and a New Mexico district attorney's office.

<sup>14</sup> New York: Eligible employment includes federal, state or local government, working for an organization that provides civil, criminal or child welfare/juvenile justice legal services to low-income people, or employment with a similar organization. Lobbying positions, judicial clerkships (except career positions in the Federal or state judiciary), and military service are not qualifying employment.

<sup>15</sup> Government employment includes federal, state and local government agencies.

<sup>16</sup> Texas: Recipients must work for an organization funded by Texas Equal Access to Justice Foundation, LSC or certain Texas non-profit that provides civil legal aid to the poor

<sup>17</sup> Washington: Government employment includes state, local and tribal agencies.

**Loan Repayment Assistance Programs  
10/31/06**

LRAP	Eligible Loans					
	Law School Federal Government Loans	Law School Commercial Loans	Bar Exam Loans	Undergraduate Loans	Post-graduate Education Loans	
Arizona	●	●	●	●	●	
District of Columbia	●	●	●	●	●	
Florida	●	●				
Indiana	●	●	●	●	●	
Kentucky <sup>1</sup>	●			●	●	
Maine	●	●				
Maryland	●	●	●	●	●	
Massachusetts <sup>2</sup>						
Minnesota <sup>3</sup>	●	●	●	●	●	
Missouri <sup>4</sup>	●	●	●		●	
Montana	●	●				
New Hampshire	●	●				
New Mexico	●	●	●			
New York <sup>5</sup>	●	●			●	
North Carolina	●	●	●			
Texas	●	●	●	●	●	
Washington <sup>6</sup>	●	●	●	●	●	

<sup>1</sup> Kentucky: Loans must be Stafford, Consolidation or PLUS loans from the Kentucky nonprofit, "The Student Loan Program." If an attorney has loans from somewhere else, they may take out a loan for a class and reconsolidate their loans after the new loan is fully disbursed. If a recipient takes out a PLUS loan or Graduate PLUS loan for their child, those loans can be consolidated into the recipient's loans.

<sup>2</sup> Massachusetts: Eligible loans are determined by local organizations.

<sup>3</sup> Minnesota: Graduate loans must be for joint legal/graduate school degrees.

<sup>4</sup> Missouri: Non-law school loans must be for joint legal/graduate school degrees.

<sup>5</sup> New York: Non-law school loans must be for joint legal/graduate school degrees.

<sup>6</sup> Washington: Minimum eligible debt is \$25,000 with minimum semi-annual payment of \$2,500.

**Loan Repayment Assistance Programs  
10/31/06**

**Annual Amount of Assistance Funded**

LRAP	Year	Assistance Funded	Source of Funding By Percentage								
			IOLTA	State Legislature	Law Schools	Private Donors/ Foundation	Bar Foundation	State Bar	Other		
Arizona	2006	\$36,450	100.0								
District of Columbia <sup>1</sup>	2006	\$364,500	26.0	69.0						5.0	
Florida	2006	\$292,904	85.0								15.0 <sup>2</sup>
Indiana	2006	\$30,000	100.0								
Kentucky	2006	\$433,716									100.0 <sup>3</sup>
Maine	FY06	\$23,600	95.0								5.0 <sup>4</sup>
Maryland	2006	\$180,651		100.0							
Massachusetts	FY05	\$84,354	100.0 <sup>5</sup>								
Minnesota <sup>6</sup>	FY06	\$111,579	7.5	20.0	25.0		39.0	4.0			4.5
Missouri	FY06	\$40,000 <sup>7</sup>					100.0				
Montana <sup>8</sup>	2006	\$25,000	100.0								
New Hampshire	FY06	\$70,000	100.0								
New Mexico	FY07	\$300,000		100.0							
New York <sup>9</sup>	2006	\$25,000						100.0			
North Carolina	FY06	\$300,000		90.0			10.0				
Texas <sup>10</sup>	FY06	\$150,000								100.0	
Washington	2005	\$30,000								100.0 <sup>11</sup>	

<sup>1</sup> District of Columbia: \$250,000 has been approved by the DC City Council, but still needs to be approved by Congress. The State Bar funding is from the Litigation Section of the DC Bar. The actual amount of assistance will be determined in 12/06.

<sup>2</sup> Florida: The Florida Bar Foundation, which is also the IOLTA provider, operates two LRAP's that benefit employees of legal service agencies that are IOLTA grantees. The agencies are required to provide a 20 percent share of the program costs for the regular program (\$44,253), and 100 percent of the supplemental program (\$71,639) is funded by a reduction in the amount of IOLTA grant funds the agencies would have received.

<sup>3</sup> Kentucky: The program is funded by student loan interest and bonds of the administrator, a loan provider.

<sup>4</sup> Maine: The Maine Bar Foundation encourages its legal services IOLTA grantees to take a percentage reduction in their grants, to be applied towards their employees' loan repayment benefits. Unlike Florida, the Maine program makes the percentage amount entirely optional. Agencies are currently contributing approximately five percent of the program costs in the form of IOLTA grant reductions.

<sup>5</sup> Massachusetts: The Massachusetts Legal Assistance Corporation operates an LRAP that benefits employees of legal services providers that are IOLTA grantees. The cost is deducted from the grantees' IOLTA funds.

<sup>6</sup> Minnesota: Eight percent of the private donors/foundations revenue is from district bar associations and foundations. The State Legislature funding is received from the Legal Services Advisory Committee of the Supreme Court of Minnesota, which is allocated that portion of the State Judiciary budget that is generated from attorney registration fees. The Committee then re-grants these funds to Minnesota's nonprofit LRAP agency and to other legal services organizations. The state bar provides more than \$14,000 in in-kind assistance for the program.

<sup>7</sup> Missouri: The program began in 2005 with \$150,000 for assistance. More is being raised by bar groups, including the Leadership Academy. Many donations are from firms. \$20,000 was awarded in the first six-month cycle and nearly \$31,000 was awarded in most recent cycle.

<sup>8</sup> Montana: The Foundation plans to solicit private contributions and support from the UM School of Law.

<sup>9</sup> New York: The NYSBA Special Committee on Student Loan Assistance for the Public Interest plans to raise money from other sources, such as foundations and law firms to sustain and expand the program.

<sup>10</sup> Texas: Funding sources include the State Bar of Texas and private donations from attorneys, many of whom are members of the Board of Directors of the State Bar of Texas.

<sup>11</sup> Washington: Funding is primarily from a creative affinity relationship with a loan consolidation vendor, with the remainder from donations from sections of the State Bar. The Legal Foundation of Washington and the LRAP Advisory Committee are submitting funding proposals to foundations.

# **Law School LRAPS and Law Graduates' Debt**

## 100 Law Schools with Loan Repayment Assistance Programs

Albany Law School of Union University	South Texas College of Law
American University	Southwestern Law School
Washington College of Law	
Arizona State University	St. Thomas University School of Law
Sandra Day O'Connor College of Law*	
Benjamin N. Cardozo School of Law	Stanford University School of Law
Yeshiva University	
Boston College Law School	Suffolk University Law School
Boston University School of Law	Temple University
	James E. Beasley School of Law
Brooklyn Law School	Touro College - Jacob D. Fuchsberg Law Center
California Western School of Law	Tulane University School of Law
Case Western Reserve University School of Law	University of Arizona
Catholic University of America	James E. Rogers College of Law†
Columbus School of Law	University of Chicago Law School
Chicago-Kent College of Law	University of California Berkeley School of Law
Illinois Institute of Technology*	
City University of New York School of Law at Queens College	University of California Davis School of Law
Columbia University School of Law	University of California Hastings School of Law
Cornell Law School	University of Chicago Law School
Creighton University School of Law	University of Colorado Law School
DePaul University College of Law	University of Denver College of Law
Duke Law School	University of Georgia
Duquesne University School of Law	University of Illinois
Emory University School of Law	University of Iowa
Fordham University School of Law	University of Maine School of Law
Franklin Pierce Law Center	University of Maryland School of Law*
George Washington University Law School	University of Michigan Law School
Georgetown University Law Center	University of Minnesota Law School*
Golden Gate University School of Law	University of New Mexico School of Law*
Gonzaga University School of Law	University of North Carolina School of Law*
Hamline University School of Law*	University of Oregon School of Law
Harvard Law School	University of Pennsylvania Law School
Hofstra University School of Law*	University of San Diego School of Law
Indiana University School of Law-	University of San Francisco Law School



Helping Lawyers Help Community

## The Rising Debt of Law Graduates

Equal Justice Works invited the 194 approved and provisionally approved law schools, as well as some non-accredited law schools to provide data by either completing an online survey or submitting a data form. Of these, 133 law schools returned surveys or data forms to Equal Justice Works.

- One-hundred law schools report that they have Loan Repayment Assistance Programs.
- Fifty-five law schools report public interest scholarship programs.
- Twenty-two schools report funding post-graduate public interest fellowships.
- More than 80 percent of law students borrow to pay for their law degree.
- The average amount borrowed in law school by the class of 2005 was \$78,763 at a private school and \$51,056 at a public school.

### Average Debt Burden for an Public Interest Lawyer (Class of 2005)

	Public School Graduate	Private School Graduate
Hypothetical Starting Salary	\$38,000	\$38,000
Estimated Monthly Take Home Pay	\$2,111	\$2,111
- Estimated Monthly Loan Payment	-\$630	-\$1,013
Monthly Available Income for Housing, Food, Transportation, Savings and Other Expenses	\$1481	\$1098

Tuition data and average indebtedness from the American Bar Association Section on Legal Education and Admissions to the Bar, Legal Education Statistics.

Salary data from the National Association for Law Placement, *2006 Public Sector and Public Interest Attorney Salary Report*.

Debt payments are calculated with the assistance of Access Group, a non-profit provider of graduate and professional loans.