

Loan Repayment Assistance Program Notre Dame Law School

Effective for calendar years beginning 2018

Program Description

The Notre Dame Loan Repayment Assistance Program (LRAP) assists recent graduates in repaying student loans they incurred during law school. LRAP provides loans to graduates that they may use in turn to make payments on their student loans. The Law School forgives LRAP loans once graduates have spent a specified period of time in qualifying public interest or public service positions.

Which graduates are eligible?

Any J.D. graduate of Notre Dame Law School who graduated within the past ten years, who works in a qualifying public interest or public service legal job, and who earns a salary under \$70,000 (after adjustments described below) may apply for LRAP assistance for the following calendar year. Eligible graduates may receive loan repayment assistance for a maximum of ten consecutive calendar years starting with the January immediately following their graduation from the Law School. This document sets out the general guidelines the Law School uses in awarding LRAP benefits. The Law School reserves full discretion to select the eligible graduates each year to receive loan repayment assistance.

How can graduates apply for LRAP assistance?

The Program operates on a calendar year. The distribution of funding under the Program is determined separately each year. Eligible graduates, whether or not they have previously received assistance under the Program, must submit an application each year by November 1st to be considered for loan repayment assistance in the following calendar year. Benefits are awarded for one calendar year at a time. The application form and information are available on the LRAP web page at law.nd.edu/lrap.

What qualifies as a public interest or public service position?

An eligible graduate must hold or have accepted full time employment that directly uses the skills and knowledge gained from the graduate's legal education to perform public interest, public service or other similar employment. Public interest includes work for not-for-profit organizations that provide legal services to a low-income population or that serve the public good. Public service means work for a governmental body, including public defender and prosecutor positions and military employment. Public service does not include judicial clerkships for federal judges or at the highest court in a state (although, as explained further below, a maximum of 2 years of a judicial clerkship(s) will be included for purposes of calculating the length of time spent in qualifying employment.) "Judicial clerkships" here means so-called "elbow clerk" positions working for a single judge or justice as distinguished from staff attorney positions at the service of an entire court. The Law School has discretion to determine whether a

position is considered qualifying employment, including the discretion to disqualify employment that contradicts the teachings of the Catholic Church.

A graduate who has not yet received an offer of qualifying employment before the November 1st application deadline but who is seeking or plans to seek such employment and expects to receive an offer by February 1st of the following year may apply for loan repayment assistance contingent upon receiving and accepting such an offer. Such a graduate must complete an application by the November 1st deadline and must include in his or her application information about the specific jobs for which the graduate has applied and when a decision is expected.

How is income eligibility calculated?

Income eligibility is based on the graduate's gross salary for the qualifying public interest or public service position, inclusive of any basic allowance for housing or subsistence if either is received as a direct result of employment, and including bonuses, overtime or any other compensation. The gross salary will be adjusted downward for the following:

1. An amount equal to the federal personal exemption for each child under the age of 24 claimed as a dependent on the graduate's federal tax return (\$4,050 in 2017, subject to change in 2018), and
2. Non-law school student loan payments that will be due in the following calendar year.

A graduate with an adjusted gross salary below \$70,000 is eligible for LRAP benefits.

The LRAP program does NOT consider assets, spousal income, or income that is not derived from the graduate's qualifying public interest or public service position.

Which student loans are eligible for LRAP assistance?

To qualify for loan repayment assistance, an eligible graduate must have personally incurred student loans totaling \$10,000 or more, processed and approved by a law school or university financial aid office, to finance the cost of the graduate's law school education earning a J.D. degree. Qualifying loans include those incurred while enrolled in the J.D. program either at Notre Dame Law School or, for transfer students, at another law school where the transfer student completed the first year of legal studies. Both private and federal student loans are eligible for LRAP assistance.

Loans incurred in connection with an L.L.M. or J.S.D. degree are not eligible for loan repayment assistance. If a graduate earns a joint degree, loans associated with the non-J.D. portion of that degree (e.g., loans for business school classes taken as part of a joint J.D.-M.B.A program) are also excluded from LRAP benefits. Loan payments made on these non-J.D. student loans are included as deductions from gross salary as discussed above.

Bar loans are not eligible for loan repayment assistance and are not factored into deductions from gross salary.

How are benefits calculated?

If a graduate’s adjusted gross salary is \$55,000 or less, the Law School will provide the graduate with a loan (“LRAP loan”) to cover 100% of the graduate’s actual payments on eligible law school loans that will become due during the year the repayment assistance is provided (calculated using a repayment period of at least 10 years on eligible law school loans). LRAP loans are subject to a cap set annually by administrators. For 2018, the cap on annual benefits will be \$15,000 per participant.

If a graduate’s adjusted gross salary is between \$55,000 and \$70,000, the Law School will provide an LRAP loan on a sliding scale to cover a portion of the graduate’s payments on eligible loans. The following formula will be used to calculate the percentage of the graduate’s payments that will be covered by LRAP loans: $1 - ((LRAP \text{ Adjusted Income} - 55000)/15000)$. The table below is provided for illustrative purposes to demonstrate the shares of a graduate’s loan payments that will be covered by LRAP or by the graduate at various salary levels.

Adjusted Gross Salary	LRAP Contribution to Loan Payments	Graduate’s Contribution to Loan Payments
\$57,500	83.3%	16.7%
\$60,000	66.7%	33.3%
\$62,500	50.0%	50.0%
\$65,000	33.3%	66.7%
\$67,500	16.7%	83.3%

If a graduate receives benefits from another program, such as a government or employer-based LRAP program, that are intended to help the graduate make monthly payments on law school loans, the Law School will reduce the amount of any loan repayment assistance under this Program on a dollar-for-dollar basis.

When and how are LRAP loans provided to participants?

LRAP loans are typically disbursed in six-month increments to assist graduates in making future monthly law school loan payments. For example, graduates typically receive a disbursement in January as an advance to assist with law school loan payments during the first half of the calendar year and a second advance in July to assist with student loan payments during the second half of the calendar year. A portion of any advance may have to be repaid if the graduate’s employment or financial circumstances change during the year.

How do graduates earn forgiveness of their loans?

Graduates earn forgiveness of their LRAP loans by working in qualifying public interest or public service employment for a specified period of time. If a graduate has completed at least one calendar year in the LRAP program but has served less than three years in qualifying employment, the Law School will partially forgive any LRAP loans made to the graduate. If a graduate has completed at least one calendar year in the LRAP program and has served in

qualifying employment for at least three years, the Law School will completely forgive any of the graduate's outstanding LRAP loans.

The following table sets forth the loan forgiveness schedule:

Years in Qualifying Employment	Percentage of LRAP Loans Forgiven
Less than one	0%
At least one but less than two	33.3%
At least two but less than three	66.6%
Three or more	100%

Judicial clerkships will be included in calculating the length of time spent in qualifying employment for purposes of loan forgiveness up to a maximum of two years. A graduate may accumulate time towards loan forgiveness in non-consecutive periods.

How can I familiarize myself with LRAP's program requirements?

A more detailed description of all program requirements is available on the LRAP webpage. A copy will be sent to all recipients. It is important that LRAP recipients read and follow these requirements.

Who administers LRAP?

LRAP is administered by Program Coordinator Catherine Kustner (ckustner@nd.edu) and Program Administrator Catherine Roemer (croemer@nd.edu), together with a faculty LRAP Advisory Committee.