

# Loan Repayment Assistance Takes a Big Step Forward

**BY ROBERT L. JONES, JR.**  
**DIRECTOR, LEGAL AID CLINIC, AND CHAIR,**  
**LOAN REPAYMENT ASSISTANCE COMMITTEE**



The groundbreaking for the Law School expansion is not the only tangible fruit this fall of the *Spirit of Notre Dame* campaign. The Loan Repay-

ment Assistance Program (LRAP) is also taking a leap forward this year, thanks largely to a growing LRAP endowment. During the 2008 funding cycle, LRAP will provide substantially increased benefits to program participants.

The Law School created LRAP in 2001 to help graduates in low-paying public interest and public service jobs make their law school loan payments during their first five years after graduation. The program's goal is succinctly stated by current LRAP participant Sarah Looney, '06 J.D., a staff attorney at Blue Ridge Legal Services in Harrisonburg, Va., who contends that the decision whether to pursue public interest work "should be based on your calling, not your budget." Carla DeVelder, director of Career Services, confirms "public service is indeed a calling for many Notre Dame students. In fact, commitment to service is one of the defining characteristics of our student body."

Budgets do preclude many interested students from pursuing public interest work. The average law school debt burden of recent graduates exceeds \$80,000.

## LRAP Program Changes at a Glance

	CURRENT PROGRAM	2008 CHANGES
Maximum Qualifying Income	\$50,000	\$54,000
Maximum Income at Which Program Covers 100% of Law School Loan Payments	\$26,000	\$34,000
Years of Public Service Work Necessary to Qualify for Partial Loan Forgiveness	2 years	1 year
Years of Public Service Work Necessary to Qualify for Full Loan Forgiveness	5 years	3 years

Many public interest jobs pay no more than half that amount. Factor in undergraduate student loans, and it may be literally impossible to make ends meet. When Sarah began calculating household budgets, for example, she realized that her student loan payments would eat up more than a third of an already bare-bones legal services salary. Without LRAP assistance, Sarah says, she honestly does not know whether she could have taken her current legal services position, in spite of a bedrock commitment to public interest work.

Twenty-seven Law School graduates have received LRAP assistance during the program's first five years, many of them for more than one year. LRAP provides graduates earning less than \$50,000 with loans to cover a portion of their monthly payments on law school debts. (LRAP provides forgivable loans instead of outright grants to minimize participants' income tax liability.) A typical participant receives LRAP loans sufficient to cover about 40 percent of monthly payments on law school debts. After two full years in public service work, a portion of the LRAP loans is forgiven. The LRAP loans are fully forgiven if a graduate remains in public service for five years.

Although LRAP has been a difference-maker for some graduates, the program's benefits have been too limited to elimi-

nate law school debt as an obstacle for all who wish to pursue public service. The limited benefits have been attributable in part to uncertain funding sources. Over the past few years, however, substantial contributions have increased the value of endowments for LRAP and related public interest initiatives to nearly \$1 million. Consequently, the Law School will be able to significantly expand program benefits next year. The income ceiling will be raised to \$54,000. The percentage of monthly law school debt payments covered by the program will also increase significantly. Finally, LRAP loans will be forgiven much more quickly. One third of LRAP loans will be forgiven after a single year of public service work, and the program loans will be fully forgiven after just three years of public service work. Those changes should more than double the total annual benefits paid by LRAP, and they should make public service work possible for more graduates.

LRAP will not achieve its ultimate goal until the program is able to cover all law school debts for graduates in low-paying public service positions. Nonetheless, the Law School has taken a major step toward the day when graduates' career choices are, in Sarah Looney's words, "based on your calling, not your budget."