

## **Agency Guide for the John R. Justice Student Loan Repayment Program**

### **Purpose**

This program provides funding for loan repayment for local, state, and federal public defenders and local and state prosecutors. The purpose of the program is to encourage qualified individuals to enter and continue employment as prosecutors and public defenders.

### **References**

PUBLIC LAW 110-315—AUG. 14, 2008

### **Program Overview**

The Florida Department of Education/ Office of Student Financial Assistance (FDOE), the governor-designated state administering agency, has developed a basis for the fair distribution of funding geographically and among the agencies employing state prosecutors, public defenders, and federal defenders; will coordinate the solicitation of applications by those offices; and will collect nominations from those offices of persons for awards. With this model, applicants will apply directly to their agency of employment which decides, based on the programmatic criteria set forth by the U.S. Department of Justice and developed by a working group, which applicants should receive funding. These nominations, along with all applicants, then will be sent to the FDOE, Office of Student Financial Assistance for review by December 31, 2016. The Department of Legal Affairs (DLA) in conjunction with FDOE has minimally replicated the John R. Justice (JRJ) Student Loan Repayment Program after the Federal Teacher Loan Forgiveness Program and the State's Teacher Loan Forgiveness Program.

The Florida allocation for Fiscal Year 2016 will be \$65,611.00. Program Funds will be equally distributed between prosecutors and public defenders - \$32, 805.50 for prosecutors, \$32,805.50 for public defenders. It is anticipated that the demand for the program will far exceed the funding level; therefore a formula was established to distribute awards to applicants with the least ability to repay their student loans within each of the eligible agencies.

### **Important Dates**

November 30, 2016 – Applications due to employing agency

December 31, 2016 – Agency selections due to Florida Department of Education

February 2017 – Tentative award disbursement

### **Applicant Eligibility**

A qualified applicant must be an attorney continually licensed to practice law and shall:

- be a full-time employee of the state of Florida or unit of local government (including tribal government) who prosecutes criminal or juvenile delinquency cases at the state or unit of local government level including supervision, education, or training of other persons prosecuting such cases. Prosecutors who are employees of the federal government are not eligible; or
- be a full-time employee of the state of Florida or unit of local government (including tribal government) who provides legal representation to indigent persons in criminal or

juvenile delinquency cases including supervision, education, or training of other persons providing such representation; or

- be employed in the state of Florida as a full-time federal defender attorney in a defender organization pursuant to Subsection (g) of section 3006A of Title 18, United States Code, that provides legal representation to indigent persons in criminal or juvenile delinquency cases;
- have been employed at least twelve consecutive months with qualifying entity;
- have an outstanding balance on an eligible education loan;
- not be in default on repayment of any federal student loans; and
- make a commitment to:
  - a three-year service agreement, if a new applicant,
  - a one-year service agreement, if a JRJ beneficiary that has fulfilled his/her initial three-year service obligation and is being selected again to receive additional JRJ benefits or
  - if a current JRJ beneficiary that has not yet fulfilled his/her initial three-year service obligation, but remains eligible for JRJ benefits, a service agreement Acknowledgement of Benefit is required.

Attorneys who are in private practice and not a full-time employee of a non-profit organization, even if individually or part of a firm that is under contract with the state of Florida or court appointed to provide public defense services do not qualify as public defenders and are not considered to be qualified applicants.

### **Loan Eligibility**

- Eligible education loans include:
  - Federal Family Education Loan Program (FFELP) and Federal Direct Stafford Loans;
  - FFELP and Direct Graduate PLUS Loans;
  - FFELP and Direct Consolidation Loans; and
  - Federal Perkins Loans.
- Non-eligible loans include:
  - Federal Parent PLUS Loans;
  - Federal Consolidation Loans used to repay Federal Parent PLUS Loans;
  - Defaulted student loans
  - Non-federal student loans (private, commercial or alternative student loans); and
  - Any eligible loans that have been paid in full.

### **Program Structure**

- The program funds will be allocated by FDOE to each agency employing qualified applicants. The amount of funding for each agency will be determined by the number of prosecutors or public defenders in each agency with salaries below the statewide average. The minimum funding level will be \$100 per agency.
- To determine the distribution amount FDOE and DLA used personnel data from all of the qualified agencies to determine an average statewide salary for public defenders and an

average statewide salary for prosecutors. Once statewide averages were established DLA applied the 2015 Florida Price Level Index (FPLI) to adjust the salaries for cost of living. (Tab 2 of Eligibility Calculation)

- The allocation is based on total number of prosecutors and total number of defenders that fall below their respective adjusted statewide salary average, regardless of how many of those attorneys will be eligible for the program. (Agency Allocation)
- Individual prosecutors and public defenders seeking JRJ benefits will apply directly to their agency of employment.
- Benefits to individual applicants within each of the qualifying agencies will be awarded based on a formula that ranks each applicant according to the applicant's ability to pay his or her student loans. The formula accounts for family income, qualifying student loan debt, and number of dependents. (Eligibility Calculation)
  - The income will be based on the applicant's Adjusted Gross Income calculated from the Internal Revenue Service Form 1040. There will be an automatic elimination from consideration if an applicant's Adjusted Gross Income is more than \$125,000.
- Agencies will forward a list of applicants recommended to be awarded the grant to FDOE.
- FDOE will verify and confirm student loan information (type of loan, holder of loan, amount owed, and loan status) through the U.S. Department of Education's National Student Loan Data System.
- FDOE will announce award recipients.
- FDOE will remit proceeds directly to the lender/holder of the loan.

### **Program Procedures**

By November 30, 2016, all applicants must complete an application and new applicants must also complete a Service Agreement. Documentation must also be provided on:

- The applicant's eligible education loan debt obligations and monthly payments by applicant. FDOE maintains access to the U.S. Department of Education's National Student Loan Data System, and will verify and confirm student loan information once they receive the application (type of loan, holder of loan, amount owed, and loan status);
- Income as reported on IRS Form 1040 for 2015;
- Signed Service Agreement or Service Agreement Acknowledgement of Benefit, as warranted;
- Completed eligibility calculation; and
- The application will require the employer to certify the following:
  - The employer is an eligible employing entity under the John R. Justice Prosecutors and Defenders Incentive Act;
  - The Attorney seeking benefits meets the definition of "prosecutor" or "public defender" under the Act; and
  - The employer verifies employment of the applicant who seeks repayment benefits.

By signing the application, the applicant will be agreeing to the requirements and provisions of the program. By signing the Service Agreement, new applicants will be acknowledging the

program requires a three-year service commitment. For previously selected JRJ beneficiaries that have fulfilled their initial three-year service obligation and are selected again, the applicant will be acknowledging a one-year service commitment and for applicants with a current three-year service agreement, the applicant will be acknowledging additional benefits under the existing agreement. The benefit will be in the form of a loan that must be repaid if the service commitment is not fulfilled, and all the other stipulations described in the Service Agreement.

- The Service Agreements and Service Agreement Acknowledgement of Benefit forms will be available on the DLA or FDOE web site.
- The application will be available on the DLA or FDOE web site or directly from the applicants employing agency.
- The eligibility calculation will be available on the DLA or FDOE web site.
  - DLA - <http://myfloridalegal.com/JRJGrant>
  - FDOE - [http://www.floridastudentfinancialaid.org/FFELP/ffelp\\_homepage.html](http://www.floridastudentfinancialaid.org/FFELP/ffelp_homepage.html)
- If the Service Agreement or application is incomplete, the employing agency will notify the applicant who will have an opportunity to furnish the missing information. Consideration for the benefit will be given only if all documents are complete and received by the employing agency by the application deadline. The employing agency and FDOE reserve the right to request documentation to verify data reported on the application.
- FDOE has not set a disbursement date at this time, although funds will likely be distributed in February 2017. Agencies must forward recommendations and all applications to FDOE by December 31, 2016.
- Applications received after the published date of awarding will be considered only if funds remain available.

### **Selection of Recipients**

- The eligible employing entity shall select recipients from those who have submitted a complete application and Service Agreement or Service Agreement Acknowledgement of Benefit, as applicable, with all required documentation.
  - Priority, in combination with the following criteria, will be given to prior recipients and those who file timely applications and are considered to have the least ability to pay their student loans.
  - Agencies will rank each qualified applicant according to the Eligibility Calculation. Awards will be made to individuals, starting with those individuals that the formula has determined are least able to pay and moving down the list. Those not receiving benefits under another program that provides loan repayment assistance for the eligible education loans will be considered before those who are receiving such benefits.
  - In addition, agencies may consider academic achievement (e.g., class rank, GPA, academic honors); Meritorious service (e.g., high mark job evaluations); the ratio of the beneficiary's total education debt to total assets; and the beneficiary's non-educational debt financial obligations
- Once all the money allocated for a particular employing entity has been exhausted on the prosecutor ranking list or the defender list, the awarding for that entity will cease.

- In the event that not enough applicants from a particular employing entity apply for or qualify for the program (i.e. there is funding left over from the allocation made for prosecutors/defenders after all applicants from an employing entity have received awards), the remaining dollars would be distributed by the oversight group to the next statewide highest-ranked individual prosecutors/defenders.
- The amount for each recipient shall not exceed \$10,000 per year, up to an aggregate total of \$60,000. The annual amount will be reduced in order to make more loan repayment assistance awards when funding is insufficient to honor the most applicants.
- In order for FDOE to monitor, report and ensure funds are used to pay the recipient's student loan debt; proceeds will be remitted directly to the holder of the loans.
- Recipients must continue to make regular student loan payments for any remaining student loan balance.
- Recipients must respond to any notifications from the employing entity or FDOE and must notify the employing entity and FDOE of changes to his or her address, employment status or loan status (default) within 10 days of the change.
- The Service Agreement describes periods for which the service completion must be extended and those periods of absence that do not require extension.
- If a recipient becomes ineligible or does not complete the requisite three-year or one-year commitment due to voluntary separation or involuntary separation for misconduct, unacceptable performance, or no longer wishes to participate, the recipient can no longer receive benefits and must repay any amounts received under the program. Furthermore, any monies received will no longer be considered a grant; but, a loan. In which, prompt repayment arrangements to the U.S. Department of Justice will need to be made in order to avert proceedings of collection activities.