

	UC Davis Loan Repayment Assistance Program (LRAP)	Federal Public Service Loan Forgiveness Program (PSLF)	Federal Income-Based Repayment Program (IBR)
Program Description	<p>The UC Davis Loan Repayment Assistance Program (LRAP) is to provide financial support to recent graduates employed in the public or nonprofit sectors where salaries are typically lower than in the private sector.</p> <p>Graduates who have accumulated significant debt for their education may feel constrained in their choice of employment by the need to repay that debt. LRAP provides financial support to graduates for education loan payments to facilitate these employment decisions.</p> <p>The program is administered by the Office of Financial Aid and funded with Professional Degree Fee revenue.</p>	<p>Through the College Cost Reduction and Access Act of 2007, Congress created the Public Service Loan Forgiveness Program (PSLF) to encourage individuals to enter and continue to work full-time in public service jobs.</p> <p>Under this program borrowers may qualify for forgiveness of the remaining balance due on their eligible federal student loans after they have made 120 payments on those loans under certain repayment plans while employed full time by certain public service employers. The 120 payments do not have to be consecutive.</p> <p>Since borrowers must make 120 monthly payments on their eligible federal student loans beginning after October 1, 2007 before they qualify for the loan forgiveness, the first cancellations of loan balances will not be granted until October 2017.</p> <p><i>In general, only borrowers who are making reduced monthly payment through the Direct Loan Income Contingent or Income Based repayment plans will have a remaining balance after making 120 payments on a loan.</i></p>	<p>Through the College Cost Reduction and Access Act of 2007, Congress also created the Income-Based Repayment program (IBR).</p> <p>This program helps borrowers keep their loan payments affordable with payment caps based on their income and family size. For most eligible borrowers, IBR loan payments will be less than 10 percent of their income - and even smaller for borrowers with low earnings. IBR will also forgive remaining debt, if any, after 25 years of qualifying payments.</p> <p>IBR uses a kind of sliding scale to determine how much you can afford to pay on your federal loans. If you earn below 150% of the poverty level for your family size, your required loan payment will be \$0. If you earn more, your loan payment will be capped at 15 percent of whatever you earn above that amount. Except for the highest earners, that usually works out to less than 10 percent of your total income.</p> <p>IBR became available July 1, 2009.</p>
What qualifies as eligible employment?	<p>Full-time law-related employment with a non-profit organization that is tax exempt under IRS sections 501(c)(3),(4) or (5) of the Internal Revenue Code or direct employment with a local, state, or federal government agency in the United States.</p>	<p>Full time service in an AmeriCorps or Peace Corps position. Also, full time employment in any position with a public service organization:</p> <ul style="list-style-type: none"> Federal, state, local or Tribal government agencies. <p>Private, not-for-profit organizations that provide the following public services:</p> <ul style="list-style-type: none"> Public Interest Law Services Emergency Management Military Service <p>“Full-time,” according to the final regulations issued by the Department of Education, means an annual average of 30 hours per week or the standard for full-time used by the employer, whichever is greater. For people working part-time at two or more qualifying jobs, “full-time” means an annual average of 30 hours across all jobs held. In professions such as teaching, annual contracts that include at least eight months of full-time work will be treated as the equivalent of a full year’s employment. If you meet all the criteria, the earliest your remaining debt could be forgiven is October 2017.</p> <p>Overseas employment qualifies for PSLF as long as you are working for a U.S. non-profit organization or a U.S. government employer. Peace Corps volunteer work is explicitly eligible for Public Service Loan Forgiveness, but unpaid volunteering is not.</p>	<p>No employment qualifications.</p> <ul style="list-style-type: none"> Public Child or Family Service agencies. Public Education, Health or Safety Law Enforcement Early Childhood Education

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What loans are eligible?	<p>Federal Stafford Subsidized, Unsubsidized, Graduate Plus, Perkins and Alternative loans. Includes federal loans borrowed for undergraduate and other graduate-level study. Bar study loans are not eligible.</p> <p>Loans in deferment or forbearance status are not eligible for LRAP.</p>	<p>Any non-defaulted loan made under the William D. Ford Federal Direct Loan Program is eligible for forgiveness:</p> <ul style="list-style-type: none"> • Direct Subsidized loan • Direct Unsubsidized loan • Direct PLUS loan for parents and graduate or professional students • Direct Consolidation loan <p>Loans made under other federal student loan programs may qualify for forgiveness if they are consolidated into a Direct Consolidation Loan.</p> <p>The following types of loans may be consolidated into the Direct Loan Program:</p> <ul style="list-style-type: none"> • Federal Family Education Loan (FFEL) Program loans which include: • Subsidized & Unsubsidized Stafford Loans • Federal PLUS Loans for parents and graduate or professional students • Federal Consolidation Loans, excluding joint spousal consolidation loans • Federal Perkins Loans • Certain Health Professions and Nursing Loans <p>However, only payments made on the Direct Consolidation Loan will count toward the required 120 monthly payments.</p>	<p>All Federal Direct Loans and federally guaranteed loans (FFEL) are eligible including:</p> <ul style="list-style-type: none"> • Subsidized Stafford • Unsubsidized Stafford • Federal PLUS for graduate and professional students (but not Parents) • Federal Direct Consolidation
What is the maximum income to qualify for the program?	<p>In January 2010, the maximum annual income was increased from \$53,000 to \$60,000.</p> <p>Applicants must report income from all sources.</p> <p>In order to enter the program at 75% time or more, when calculated at 100% time, the annual income from eligible employment cannot exceed the \$60,000 ceiling, and the total income from all sources cannot exceed \$60,000 annually.</p>	No income qualifications.	<p>Anyone with eligible loans can apply to see if his or her payments will be more affordable under IBR as compared to the monthly payment required under the Standard, Extended, Graduated or Income Contingent repayment plans.</p>

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How is my spouse or partner's income counted?	<p>Married graduates will be treated as having the higher of (a) their respective incomes or (b) one-half of their joint income, whichever is greater.</p> <p>In the event that both partners are eligible for LRAP, their income and debt will be treated separately or as one-half of the total income and debt for each.</p>	<p>Joint Direct Consolidation Borrowers are eligible to apply for Public Service Loan Forgiveness if they meet all the other eligibility criteria. If only one borrower qualifies for PSLF, only a prorated portion of the remaining balance of the debt (based on the same proportion of that borrower's debts to the original consolidation loan) would be forgiven.</p> <p>If both borrowers meet the requirements for PSLF, the entire balance would be forgiven.</p> <p>Unfortunately, FFEL joint consolidation borrowers are currently unable to "reconstitute" the joint loan in the Direct Loan program to take advantage of PSLF.</p>	<p>Both your spouse's income and your own income are considered to determine the resources you have available to make payments on your federal student loans.</p> <p>Beginning July 2010, for married borrowers who file their taxes jointly, lenders will factor in the couple's total federal student loan debt, as well as their total income, to calculate payments. Originally, IBR did not recognize that joint income has to cover both spouses' federal loan payments, resulting in payment requirements up to twice what two equivalent single people would have to pay.</p> <p>Baseline Debt: IBR eligibility will be based either on the balance when the loan first entered repayment or on the current loan amount, whichever is greater. This will allow borrowers whose loan balances have increased (often due to accrued interest during periods of deferment or forbearance) to qualify based on what they actually owe.</p>
I have children. How will this affect my benefit?	<p>For purposes of entrance into and participation in the LRAP, persons with dependents, as determined under federal income tax guidelines, will have their income adjusted downward by \$5,000 for each dependent.</p>	No effect on PSLF benefit.	<p>The borrower's family size is one of the criteria used in the IBR calculation to determine your monthly student loan payment.</p> <p>A higher family size will reduce the monthly student loan payment.</p>

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What is the maximum number of years I can participate in this program?	The maximum length of LRAP participation is ten years. Participants will have to repay on their own any student loan debt still outstanding after the eligibility period has expired.	No limit for participation in PSLF.	No limit for participation in IBR.
Am I eligible to participate if I am currently holding a judicial clerkship?	Judicial clerkships are not considered qualifying employment for LRAP.	Certain judicial clerkships may be considered qualifying employment. Visit www.equaljusticeworks.org for more information.	Yes.
How frequent are benefit payments issued to participants?	LRAP payments are issued twice during the calendar year in January and July.	The Public Service Loan Forgiveness Program does not issue benefit payments. The program benefit is the forgiveness of the student loan balance that remains after the borrower makes 120 payments on eligible federal student loans under certain payment plans while employed full-time by certain public service employers for ten years.	The Income-Based Repayment program does not issue benefit payments. The program benefit is the reduction of annual educational debt payments capped at 15% of the borrower's discretionary income along with forgiveness of the remaining loan balance after 25 years.
How much benefit will I receive for each payment period?	For program participants with an annual income of \$40,000 or less, the LRAP loan will equal the amount necessary to cover the monthly scheduled payments for eligible law school loans. For participants with an annual income greater than \$40,000 , the amount of Program assistance will be prorated, with participants expected to make an imputed contribution equal to 35% of income above \$40,000.	The Public Service Loan Forgiveness Program does not issue benefit payments.	The Income-Based Repayment program does not issue benefit payments.
How long must I remain in the program before the benefits I receive are eligible for forgiveness?	Beginning January 2010 your LRAP benefit is 100% forgiven after one full year of eligible employment.	Loan forgiveness occurs after the borrower makes 120 payments on eligible federal student loans under certain payment plans while employed full-time by certain public service employers for ten years.	If you repay the IBR plan for 25 years and meet certain other requirements, any remaining loan balance will be canceled.

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How do I apply for the program?	<p>Graduates should submit the following documents to the UC Davis Law Financial Aid Office:</p> <ul style="list-style-type: none"> • LRAP Application • LRAP Employment Certification, including job description, proof of employer 501 (c) tax exempt status or verification that employer is local, state or federal government agency. • LRAP Agreement and Certification • A list of educational debts, including the name of each servicer; the month and year each loan went into repayment; the total amount borrowed from each loan program; and the dollar amount of the monthly repayment obligation. • Documentation from the servicer of each educational debt listed for the applicant and/or spouse. <i>This may be a copy of the repayment agreement, copy of a billing statement or a letter from the servicer.</i> • Your most recent signed Federal Tax Return including W-2 and schedules. <p>For more information visit: http://www.law.ucdavis.edu/current/financial-aid/loan-repayment-assistance.html</p>	<p>On January 31, 2012, the Department released an Employment Certification Package to help borrowers track their progress toward qualifying for PSLF. Submission of the Employment Certification Form before you are eligible to apply for PSLF is optional but you are encouraged submit certifications annually or whenever you leave a qualifying position.</p> <p>Download the materials from http://studentaid.ed.gov/PORTALSWebApp/students/english/PSE.jsp.</p>	<p>Contact your lender.</p> <p>If you do not know who is servicing your loan(s), search the National Student Loan Data System database at http://www.nslds.ed.gov/nslds_SA</p>
Do I need to re-apply every year?	<p>Yes, current LRAP participants will need to establish continuing eligibility by submitting to the Law Financial Aid Office no later than May 31 of each year the following:</p> <ul style="list-style-type: none"> • LRAP Update Form • LRAP Employment Certification • Your most recent signed Federal Tax Return including W-2 and schedules • Proof of student loan payments. <i>A loan payment history can be downloaded from most lender websites.</i> 	<p>You are encouraged to submit an Employment Certification Form annually or whenever you leave a qualifying position.</p>	<p>If you select IBR, you will be required to complete a form that authorizes the Internal Revenue Service (IRS) to provide income information (yours and your spouse's if you are married and file taxes jointly) to the U.S. Department of Education. In addition, you must notify the Department of your family size each year.</p>
What is the deadline to apply?	<p>King Hall graduates can apply for up to three years after graduation.</p> <p>The deadline to receive applications for the January payment period is November 15.</p> <p>The deadline to receive applications for the July payment period is May 15.</p>	<p>No application deadline.</p>	<p>No application deadline.</p>

INCOME-BASED REPAYMENT AND PUBLIC SERVICE LOAN FORGIVENESS INFORMATION

<p>UC Davis Loan Repayment Assistance Program</p>	<p>http://www.law.ucdavis.edu/current/financial-aid/loan-repayment-assistance.html</p>
<p>Federal Student Loan History</p>	<p>http://www.nslds.ed.gov/nslds_SA/</p>
<p>Direct Loan Consolidation</p>	<p>http://www.loanconsolidation.ed.gov/</p>
<p>Income-Based Repayment and Public Service Loan Forgiveness Information</p>	<p>Federal Income-Based Repayment http://studentaid.ed.gov/PORTALSWebApp/students/english/IBRPlan.jsp</p> <p>Federal Public Service Loan Forgiveness http://studentaid.ed.gov/PORTALSWebApp/students/english/PSE.jsp</p> <p>Equal Justice Works http://www.equaljusticeworks.org</p> <p>IBR Info http://ibrinfo.org/ <i>Independent, nonprofit information source about federal student loan payment and forgiveness programs.</i></p> <p>Ask Heather Jarvis http://askheatherjarvis.com <i>Student Loan Expert</i></p> <p>Student Loan Borrower Assistance Project http://www.studentloanborrowerassistance.org/ <i>National Consumer Law Center resource for borrowers, families and advocates representing student loan borrowers</i></p>