LOAN REPAYMENT ASSISTANCE PROGRAM (LRAP) ELIGIBILITY
Rutgers Law School in Newark

LRAP eligibility and assistance is based on three factors:
#1: Employment in a qualifying public interest position
#2: Income
#3: Law school educational debt

#1 - Qualifying Public Interest Employment:
Applicants must be employed full-time in a law-related, public interest position. Law-related means that the position must substantially utilize the legal training and skills of the graduate. Public interest is defined as work with: 1) a not-for-profit organization whose primary purpose is to serve or advocate on behalf of individuals or organizations whose interests are not adequately represented by the private sector or the government and that qualifies for tax exemption under IRS Code §§ 501(c)(3); and 2) any local, municipal, county, state, or federal government agency or entity.

A graduate employed as a Public Interest Fellow, whose employer is repaying his/her educational loans under the terms of the fellowship, shall receive credit toward his/her LRAP public interest commitment while serving as a fellow. Public Interest Fellows who do not receive complete loan repayment from their fellowship would be eligible for LRAP funds if they meet program eligibility requirements. However, Fellowship benefits must be the primary provider; LRAP funds would be a secondary provider.

A graduate employed as a Judicial Clerk is eligible for LRAP assistance, but only if the clerkship is followed with a second year of qualifying employment. If the clerkship salary exceeds allowable LRAP maximums, only time credits will be earned for the duration of the clerkship.

#2 - Income/Financial Eligibility:
In order to qualify for initial LRAP benefits, an applicant’s qualifying income may not exceed $55,500 for single filers or $86,000 for joint filers. For returning LRAP applicants, this salary cap will be increased for each additional year of “LRAP-eligible” employment (five-year maximum.) The cap for single filers will be increased by $3,500/year; joint filers will receive a $5,000/year increase.

Qualifying income is determined by adjusting an applicant’s projected/stated income by the factors described below. If the applicant’s circumstances show a special need not accounted for in the following deductions, the LRAP administrator may adjust the qualifying income as appropriate to reflect a more accurate income projection for the year. Standard adjustments are made for:

- Dependent Deduction: a deduction equal to the annual IRS dependent allowance will be allowed for each dependent listed on the IRS1040.
- Undergraduate/Postgraduate Educational Debt: qualifying income will be adjusted by the annual required debt service on prior educational debt, provided documentation is submitted. Adjustments can also be made to reflect annual educational debt service of a spouse/partner.
- Child Care Expenses: Documented child care expenses, up to a maximum of $5,000/year
- Medical Deductions: Medical deductions allowable for tax purposes
Adjustments to qualifying income may also be made in cases where an applicant demonstrates sizable net worth. (Net worth is defined as total assets minus total debt.)

LRAP Board reserves the right to adjust the income cap to take into account reasonable cost of living increases and/or other extenuating circumstances.

#3 - Qualifying Educational Loans:
Only indebtedness incurred for and applied toward an applicant’s law school education, such as Stafford, Graduate PLUS, Perkins and other private educational loans, qualifies for repayment assistance. LRAP does not assist in repaying any prior educational debt, bar loans or other indebtedness. For purposes of determining maximum qualifying indebtedness, an applicant’s “cost of attendance” as calculated by the Rutgers University Financial Aid Office shall apply.

LEAVES OF ABSENCE: Upon Board approval, a participant may be eligible to take up to two years leave of absence from the program for family care, relocation, debilitating injury or illness, etc. During the period of approved leave, he/she is not eligible for repayment assistance. However, upon resuming qualifying employment, the graduate will again be considered eligible for program assistance. Requests for a leave of absence must be made in writing and submitted to the LRAP administrator.

ADDITIONAL PROVISIONS: Applicants must submit an application and all required documentation to the LRAP office by the application deadline for each of their five years of LRAP eligibility. Recipients have a continuing responsibility to provide updated personal, financial and/or employment information to remain eligible for assistance. If a recipient voluntarily leaves public interest employment before fulfilling his/her commitment, the LRAP Board reserves the right to request repayment of the LRAP loan(s). If a recipient involuntarily leaves public interest employment before fulfilling this commitment (e.g., lay-off), he/she is not eligible to receive program funds during the lay-off period. However, if he/she returns to qualifying employment within a reasonable time, he/she will be entitled to reconsideration for assistance without penalty. If a prior recipient becomes ineligible due to a salary increase that exceeds maximum income limitations, the recipient will not be eligible for further LRAP funds, but will continue to receive credit towards his/her public service commitment if employment in the public interest continues.