

State of Delaware Public Attorney Student Loan Repayment Assistance Program (PASLRAP)

APPENDIX A: CONDITIONS OF AWARD

NAME: _____

In consideration of the student loan repayment incentive for which I may qualify under the State of Delaware's Public Attorney Student Loan Repayment Assistance Program (PASLRAP), made possible through HB 380, I hereby agree as follows:

- I am currently employed as an employee of the State of Delaware or one of Delaware's civil legal aid organizations (Community Legal Aid Society, Inc. of Delaware, Delaware Volunteer Legal Services, or Legal Services Corporation of Delaware) for at least a year, and my primary job function is the practice of law.
- 2. I authorize the Criminal Justice Council to verify the status, payment history, and outstanding balance of each qualifying loan, and to discuss the terms with the lender or note holder, or predecessors or successors in interest.

The term "qualified educational loan" means a government, commercial, or foundation loan for actual costs paid for tuition and reasonable educational expenses related to an applicant's undergraduate or law degree program.

- 3. In the event that I receive student loan forgiveness and any portion of funds paid through HB 380 by the Criminal Justice Council to my loan servicer during special forbearance period(s) are returned to me, I agree to notify the Criminal Justice Council and reimburse the CJC for amount(s) paid as a result of my participation in PASLRAP.
- 4. I certify that all information submitted is true to the best of my knowledge. If any applicant knowingly submits false information or commits fraud in connection with the application process, the Council may reevaluate the applicant's eligibility for an award and may withdraw an award. Any award made as the result of deliberate fraud may be recovered by the State through an action at law. I understand and affirm that I remain responsible for making regular student loan payments, that such responsibility is not abated by selection for

participation in the PASLRAP, and that I am required to continue to make personal payments toward my qualifying loans to remain eligible for the PASLRAP in the future. I understand that PASLRAP payments will be made directly to the holder of my qualifying loan(s) and that I will not be the direct recipient of any such funds.

- 5. Loan repayments made on my behalf pursuant to this agreement do not exempt me from responsibility and/or liability for the full amount of any loan in which I am the debtor.
- 6. I understand that PASLRAP funds are a supplement to, not a substitute for, my personal student loan obligations. I understand that amounts to be paid on my behalf are subject to the availability of funds and my continued eligibility. I understand that if I do not remain eligible, then further loan repayment benefits may be denied. I understand that the award of PASLRAP in any fiscal year does not guarantee benefits in future fiscal years. I understand that any loan repayments made on my behalf may be taxable and subject to withholding.
- 7. I am responsible for any income tax obligation resulting from the student loan repayments made on my behalf.

The State of Delaware does not provide legal advice on possible tax obligations resulting from the receipt of Public Attorney Student Loan Repayment Assistance Program benefits. Beneficiaries of PASLRAP who are employed by the State of Delaware may qualify, under a limited term CARES Act provision, for their benefits to be deemed tax-exempt. Beneficiaries of PASLRAP benefits remain personally responsible for, and should consult with their tax advisors for advice on, any tax obligations resulting from benefits paid on their behalf.

- 8. I understand that repayment benefits made on my behalf are capped at 1 award per state fiscal year, and that I may receive no more than 10 awards in my lifetime. This limitation should not, under any circumstances, be construed as an obligation of said benefits. An award may be made as a single annual payment or disbursed over periodic intervals at the Council's discretion.
- 9. Periods of leave without pay, or other periods during which I am not in a pay status do not count toward the required one-year of eligible employment to participate in this program. The employment duration must be extended by the total time spent in non-pay status. However, absence because of uniformed service in a recognized branch of the United States military, authorized maternity/paternity, FMLA, or due to compensable injury is considered creditable (within the sole discretion of the PASLRAP Committee) toward the required eligible employment period.

- 10. This agreement is null and void if I am not selected for PASLRAP in the year I sign and date this agreement.
- 11. Privacy Act Notification: This information is provided pursuant to the Privacy Act of 1974 (Public Law No. 94-579), as amended, for individuals supplying information for inclusion in a system of records. The authority for the collection of this information is HB 380. The purpose of the Public Attorney Student Loan Repayment Assistance Program is to encourage qualified individuals to enter and continue employment as public attorneys. This Agreement and related data are made part of the file to be used within the CJC and State of Delaware for record-keeping and management while participating in the PASLRAP. The information also may be disclosed outside the Department, as permitted by the Privacy Act and Freedom of Information Act, to the State Legislature, the Internal Revenue Service, and pursuant to court order. You are asked to provide your Social Security Number. Please note that if you do not provide the information, and you are selected to participate in the Public Attorney Student Loan Repayment Program, your Social Security Number will be required later to enable the Department to verify your eligibility status. Failure to submit this information will render this Agreement incomplete and you be considered ineligible to participate in the program.

If selected, I, _____, agree to the conditions of accepting a PASLRAP Award.

SIGNATURE

DATE