

**NEWS RELEASE**  
**January 7, 2011 Release**  
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**Statewide Student Loan Repayment Assistance Program Provides Nearly \$250,000 of Debt Relief to Public Interest Attorneys**

The new statewide loan assistance program geared to help recruit and retain some of Pennsylvania's best legal talent in public service careers has awarded nearly \$250,000 in student loan repayment assistance to 75 Pennsylvania attorneys. This is the first round of funding awarded by the Pennsylvania Bar Foundation - PA IOLTA statewide student Loan Repayment Assistance Program (LRAP) that launched last September to help attorneys employed at civil legal services organizations better manage their law school loan debt.

The assistance, which is funded by the fees charged to out-of-state lawyers who want to practice in Pennsylvania, comes in the form of a forgivable loan tied to a 12-month employment requirement at an eligible IOLTA-funded organization and other program requirements. As long as those attorneys receiving loan repayment assistance remain in qualified employment and continue to adhere to the eligibility requirements, the financial assistance received through the program will not have to be repaid.

"Eighty attorneys from 25 of the 40 eligible IOLTA-funded civil legal aid organizations submitted applications," noted Marie Queen, the executive director of the Pennsylvania Bar Foundation, the organization partnering with Pennsylvania IOLTA to deliver the statewide student loan repayment assistance program. "The LRAP was able to offer loan repayment assistance to 75 applicants and to fund more than 50 percent of their combined annual debt payments for 2011. These attorneys had combined annual debt payments of more than \$475,000, and their outstanding student loan debt balances ranged from \$10,000 to more than \$230,000."

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The PA Bar Foundation – PA IOLTA LRAP had initially planned to offer a maximum of \$2,000 of loan repayment assistance to each eligible applicant, but fewer than expected applicants and the increased funding stream created by the leadership of Chief Justice Ronald Castille and the Supreme Court of Pennsylvania allowed the program to expand. As a result, the LRAP was able to raise the “ceiling” on the maximum amount of assistance provided from \$2,000 to \$3,500.

“The court’s commitment to this program is evident and should be commended,” said Pennsylvania Bar Foundation President George Gvozdich Jr., of Ebensburg. “The initial dedication of pro hac vice funds to facilitate the creation of the statewide loan repayment assistance program, followed less than two months later by the Order doubling the fee and specifically dedicating it to the support of this loan repayment assistance program is indicative of the court’s long term commitment to ensuring that Pennsylvania’s most vulnerable citizens have access to civil legal assistance provided by some of Pennsylvania’s best legal talent,” said Gvozdich.

Sixty-one attorneys with annual debt payments of \$3,500 or more will receive \$3,500 of loan repayment assistance, and fourteen attorneys with annual debt payments in amounts less than \$3,500 will received repayment assistance equal to the actual amount of their annual debt payments. The distributions are made on a quarterly basis and each distribution is preceded by the submission of a form certifying the attorneys’ continued eligibility.

“We know this program is already making a difference,” said Gvozdich. “Loan recipients are telling us this loan assistance is giving them the ability to stay in the career they love, doing the work they find so rewarding for the Pennsylvanians who need it so much.”

The next loan cycle begins on September 1, 2011. For more information, visit [www.pabarfoundation.org](http://www.pabarfoundation.org).

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