

TEXT OF PROPOSED REGULATIONS

CALIFORNIA STUDENT AID COMMISSION
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CALIFORNIA CODE OF REGULATIONS

TITLE 5. EDUCATION
DIVISION 4. CALIFORNIA STUDENT AID COMMISSION
CHAPTER 1. CALIFORNIA STUDENT AID COMMISSION
ADOPT NEW ARTICLE 19
SECTIONS 30928 -30931

PUBLIC INTEREST ATTORNEY LOAN REPAYMENT PROGRAM

Adopt new article 19. Public Interest Attorney Loan Repayment Program, Sections 30928 through 30931, California Code of Regulations to read as follows:

(Note: The entire text set forth below is new language in “normal type” proposed to be added to the California Code of Regulations.)

Section 30928. Definitions

- a)“Applicant” means a person who has applied to the program during the application window established by the Commission.
- b)“Application” means the application to the Program.
- c)“Commission” means the California Student Aid Commission.
- d)“Eligible Expenses” means reasonable expenses associated with the costs of acquiring an education such as tuition, books, equipment, fees, and room and board.
- e)“Eligible Participant” means a Licensed Attorney who has been admitted to the Program and is a resident of this state and who can provide proof of residency in this state.
- f)“Licensed Attorney” means an attorney who resides in this state and who has successfully passed the California bar examination and has been admitted to practice or has otherwise been licensed to practice law by the State Bar of California.
- g)“Loan Repayment” means a loan that is paid in full or in part where the Participant renders legal services in California in Public Interest Law.
- h)“Participant” means a Licensed Attorney who has been admitted to the Program and has commenced practice as a Licensed Attorney in this state in Public Interest Law.
- i)“Program” means the Public Interest Attorney Loan Repayment Program.
- j)“Public Interest Law” means those areas of the law which serve the public interest, including providing Support Services to a legal services organization, or providing direct legal service at a local (1) legal services organization, (2) prosecuting attorney’s office, (3) child support agency office, (4) criminal public defender’s office or other office contracted/assigned to provide criminal defense services, or (5) qualified support center, as defined in California Business and Professions Code Section 6213(b). For purposes of these regulations, a “legal services organization” is a legal services

provider in California that serves a clientele over 70 percent of whom are low-income persons according to applicable federal income guidelines.

k)“Full-time or Full-time Equivalent Employment” means at least 215 full-time work days or the equivalent completed either during the one-year period following the Commission’s selection and notification of a Program Participant for Loan Repayment or completed during each of the three subsequent periods of annual Public-Interest-Law employment in accordance with Education Code section 69741.5. Any vacation and sick leave used by a Participant, or leave taken pursuant to the Family and Medical Leave Act (FMLA) or a similar State law during the pertinent employment period shall be included as work days in determining a Participant’s 215-day Full-Time Employment calculation. Any active-duty service of more than 30 days as a reserve member of the Armed Forces of the United States, or of the California Military Department, shall also be included as work days in determining a Participant’s Full-Time Employment calculation.

l)“Required Service Obligation” means an obligation by a Participant to provide a year-long period of full-time or full-time equivalent employment in California, as defined, in Public Interest Law.

m)“Support Services” means providing legal training, legal technical assistance, or advocacy support without charge.

Authority Cited: Section 69742(b) Education Code; Reference: Section 69742(b) Education Code; Education Code Section 69743.5

Section 30929. Application Process and Information

(a) The Commission shall make available on its website an Application to participate in the Program for prospective Applicants. The Application closing date shall be at least 60 days after the Commission-announced opening date. The Commission shall review and evaluate received Applications for eligibility, completeness, and rank and score Applicants based on the PIALR scoring matrix attached to these regulations. The Commission shall notify Applicants in writing of their eligibility to participate in the Program based on their Application scoring within 120 days of the Application closing date. Prospective Applicants shall provide the following information to the Commission in the Application:

~~(1) Social security number;~~

~~(1) (2) Last name, first name and middle initial;~~

~~(2) (3) California State Bar Attorney Number;~~

~~(3) (4) Address;~~

~~(4) (5) Date of birth;~~

~~(5) (6) Phone number;~~

~~(6) (7) Email address;~~

~~(7) (8) Law school name, address, and summary of Applicant’s academic achievements;~~

~~(8) (9) Gross annual salary,~~

~~(9) (10) Employer name and address, eligible public interest employment entity, supervisor name and contact information;~~

~~(10)~~ ~~(11)~~ Numerical summary of the Applicant's personal financial resources, including any jointly-owned assets of the Applicant and the Applicant's spouse, including the following:

(A) The value of all cash and savings held in bank, or other financial institution, checking and savings accounts;

(B) The estimated cash value of any investments in real estate or property other than the Applicant's primary residence;

(C) Any business and farm financial assets of the Applicant;

~~(11)~~ ~~(12)~~ Amount of law school debt, as reported on the most recent monthly debt statement;

~~(12)~~ ~~(13)~~ Identification of Applicant's law school loan service provider;

~~(13)~~ ~~(14)~~ Summary of relevant employment or volunteer experience, before, during, and after law school;

~~(14)~~ ~~(15)~~ Summary of Applicant's intent to work in Public Interest Law, if applicable;

~~(15)~~ ~~(16)~~ Summary of efforts to request funding assistance through the Applicant's law school loan assistance program;

~~(16)~~ ~~(17)~~ The applicant's signature under penalty of perjury to the following statement:
Under the laws of the State of California, all statements contained in the application and any accompanying documents are true and correct. The applicant acknowledges that all statements made in the application are subject to investigation. Any false or dishonest answer to any question may be grounds for denial to participate in the Program and subject to prosecution under applicable state law. The applicant authorizes the exchange of any records and any application information between the Commission and the applicant's law school, employer or loan service provider. The applicant agrees to provide documentation to verify all information provided, if requested.

Authority Cited: Section 69742(b) Education Code; Reference: Section 69742(b) Education Code

Section 30930. Applicant Evaluation and Selection

(a) The Commission shall review Applications for completeness and ensure applicants meet Program eligibility criteria necessary to qualify as Eligible Participants, consistent with Education Code section 69740(d).

(b) The Commission shall use the scoring matrix attached as Appendix A to these regulations to rank Eligible Participants on the basis of need and merit in accordance with Education Code 69742(a), and to select and make Loan Repayment awards to Program Participants.

(c) The number of successful Program Participants determined by the Commission will be limited by the amount of available Loan Repayment funding. Loan Repayment funding will be prioritized and allocated to Eligible Participants who receive the highest matrix scoring points. Should the matrix scoring result in a tied score for two or more Applicants, available funding will be awarded to those Eligible Participants having the highest law school debt.

(d) The Commission will apply the scoring matrix to evaluate each application and communicate the Applicant's award status within 120 days of the closing date announced on the Commission's website.

The Commission shall select a percentage of Participants at random for further verification of the information provided in the Application and request supplemental documentation, including but not limited to pay stubs, bank account statements, tax information, and debt statements.

(e) Should a notified Participant fail to file an Employment Verification Form or meet the Required Service Obligation as provided in Section 30931 of these regulations, the funding assistance will be reserved for a future award cycle.

Authority Cited: Section 69742(b) Education Code; Reference: Section 69742(b) Education Code

Section 30931. Employment Verification and Loan Repayment Procedure

(a) Each year for four years following award determination, Participants shall submit an Employment Verification Form to the Commission to demonstrate the Participant's completion of Required Service Obligation. The Employment Verification Form shall be submitted *no later than June 30th each year* and shall include the following information:

- (1) Employer Name
- (2) Employer Address
- (3) Name of Supervisor
- (4) Contact Information of Supervisor
- (5) Signature of Supervisor or other Employer representative verifying the Participant completed Required Service Obligation in Public Interest Law.
- (6) A copy of the Participant's lender's most recent loan report.

(b) The Commission shall make annual law school Loan Repayments to a Participant's lender in the amount specified in Education Code 69741.5(a), upon the Commission's review and verification of the Participant's completion of Required Service Obligation.

(c) The Commission will process Program award payments upon receipt of a Participant's signed Employment Verification Form. The payment will be made directly to the Participant's lender toward payment of the Participant's outstanding loan balance.

Authority Cited: Section 69742(b) Education Code; Reference: Section 69742(b) Education Code

Attachment A

PIALR Program Application Scoring Matrix

Personal Need (42 pts. Maximum)	
Applicant's Annual Gross Salary at time of application (14 pts. Maximum)¹	
Annual salary meets or is below county's living wage	14 pts
Annual salary between 0.01% and 10% higher than county's living wage	10 pts
Annual salary between 10.01% and 20% higher than county's living wage,	8 pts
Annual salary between 20.01% and 30% higher than county's living wage,	6 pts
Annual salary between 30.01% and 40% higher than county's living wage	4 pts
Annual salary 40.01% or higher than county's living wage	0 pts

¹ The Commission will rank and assign points for Applicant-reported salaries relative to an applicable county's "living wage" for a household with one adult and one child as determined by the 2023 MIT Living Wage Calculator.

Personal Need, Continued (42 pts. Maximum)	
Applicant's Personal Resources, at time of application (14 pts. Maximum)²	
Asset value below \$48,300	14 pts
Asset value between \$48,400 and \$99,999	10 pts
Asset value between \$100,000 and \$149,999	8 pts
Asset value between \$150,000 and \$199,999	6 pts
Asset value between \$200,000 and \$249,999	4 pts
Asset value above \$250,000	0 pts

2 The Commission will assign points for Applicant-reported personal resources. Reported personal resources shall include any jointly owned assets of the Applicant and the Applicant's spouse, including the following: (A) The value of all cash and savings held in bank, or other financial institution, checking and savings accounts; (B) The estimated cash value of any investments in real estate or property, other than the Applicant's primary residence, (C) Any business and farm financial assets of the Applicant.

Applicant's Law School Debt, at time of application (14 pts. Maximum)³	
Total law school debt over \$175,133.85	14 pts
Total law school debt between \$143,161.52 and \$175,133.84	10 pts
Total law school debt between \$111,189.18 and \$143,161.51	8 pts
Total law school debt between \$79,216.85 and \$111,189.17	6 pts
Total law school debt between \$47,244.52 and \$79,216.84	4 pts
Total law school debt below \$47,244.51	0 pts

³ The Commission will assign points for Applicant reported law school debt.

⁴ The total number of possible points in this section exceeds the maximum score. Additional points above the maximum score are not included in the total. This section takes into consideration a low-income applicant's need to work during law school, as required by California Education Code Section 69742(a)(2). An applicant may receive points for volunteer or work experience in law school.

Commitment to Public Interest Area of Law (33 pts. Maximum)	
Years of Public Interest Law Employment, at time of application (18 pts. Maximum)	
More than 10 years	18 pts
8-9	14 pts
6-7	11 pts
4-5	8 pts
0.01-3	5 pts
0 years	0 pts
Other Employment/Volunteer History (15 pts. Maximum)⁴	
Employment in other public service exclusive of Public Interest Law Employment Prior to Law School.	1 pt per year in public service, as defined by the Federal Government's Public Service Loan Forgiveness (PSLF) Program (5 pts. Maximum)
Volunteer Experience	1 pt per six months (or per academic term, if during law school) of volunteer service in Public Interest Law. This can include experience in experiential learning in law school (law school's clinic or externships in public service, as defined by the PSLF Program), as well as volunteer experience after law school. (10 pts. Maximum)
Work Experience during law school This can be any paid work experience in any field.	2 pt per six months of employment during law school (10 pts. Maximum)

Practicing Law in High Need Areas of the State, (20 pts. Maximum)⁵	
Currently Practicing Law in High Need Areas of the State (10 pts. Maximum)	
Practicing law in county with 1,709 or more residents per attorney	10 pts
Practicing law in county with between 1,220 and 1,708 residents per attorney	8 pts
Practicing law in county with between 731 and 1,219 residents per attorney	6 pts
Practicing law in county with between 242 and 730 residents per attorney	4 pts
Practicing law in county with between 100 and 241 residents per attorney	2 pts
Practicing law in county with below 99 residents per attorney	0 pts

⁵ The Commission will assign points for “High Need” based on registered or licensed attorneys within each county relative to overall county resident population. The Commission will use data derived from the 2023 “Attorney Demographics” published by the State Bar of California and the 2022 “California Demographics” published by CUBIT for these data sources.

Practicing Law in High Need Areas of the State, Continued (20 pts. Maximum)⁶	
Interest in Practicing Law in High Need Areas of the State (10 pts. Maximum)	
Interest in practicing law with 1,709 or more residents per attorney	10 pts
Interest in practicing law in county with between 1,220 and 1,708 residents per attorney	8 pts
Interest in practicing law in county with between 731 and 1,219 residents per attorney	6 pts
Interest in practicing law in county with between 242 and 730 residents per attorney	4 pts
Interest in practicing law in county with between 100 and 241 residents per attorney	2 pts
Interest in practicing law in county with below 99 residents per attorney	0 pts

⁵ The Commission will assign points for “High Need” based on registered or licensed attorneys within each county relative to overall county resident population. The Commission will use data derived from the 2023 “Attorney Demographics” published by the State Bar of California and the 2022 “California Demographics” published by CUBIT for these data sources.

Academic Achievements (5 pts. Maximum)⁷	
Law Review	1 pt per term
Dean's List	1 pt per term
Moot Court or Mock Trial	1 pt per term
Membership in honor society	1 pt
Graduation with distinctions or honors	1 pt
The above examples are not comprehensive of every academic achievement that could have been earned during law school. Other achievements can earn up to one point each, subject to CSAC's discretion.	1 pt

⁷ The Commission will assign points for Applicant-reported academic achievements.

Referenced Data and Information Sources

Federal Student Aid, Public Service Loan Forgiveness. 2023. U.S. Department of Education. <https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service#qualifying-employment>

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United States Census Bureau. Annual Estimates of the Resident Population: April 1, 2020 to July 1, 2020. U.S. Census Bureau, Population Division. Web. May 2023. <http://www.census.gov/>

CUBIT. Carney, Kristen and Anthony Morales. "California Demographics". California Population by Counties. Compiled from 2022 Population Estimates Program and 2021 American Community Survey. www.california-demographics.com