

IOWA LAW SCHOOL FOUNDATION  
PUBLIC INTEREST LOAN FORGIVENESS PROGRAM

The Iowa Law School Foundation (ILSF) has established a Public Interest Loan Forgiveness Program (PILFP) to encourage graduates of the Juris Doctor (JD) program of the University of Iowa College of Law (UICL) to pursue careers in the field of public interest law. The PILFP is designed to assist in the repayment of law school student loans obtained from ILSF. All UICL JD graduates who have unpaid loans from ILSF and whose loans have not been placed for collection may apply for the PILFP.

To qualify for the PILFP, the applicant must be employed, on a full time basis, in a law related capacity by an organization that is exempt from federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code at an annual salary that is less than the salary cap set forth below.

For those applicants who qualify, a certain percentage of the total outstanding ILSF loan amount is forgiven for each year the graduate remains in qualifying employment. The forgiveness period is three years and the percentage of the outstanding principal and accrued interest forgiven each year is graduated as follows:

- 25% the 1st year
- 25% the 2nd year (i.e., 33 1/3% of the remaining balance)
- 50% the 3rd year (i.e., the entire remaining balance)

The salary cap is 125% of the standard maintenance allowance (“SMA”) that is set each year by the U.S. Office of Personnel Management and distinguishes between ‘high cost’ areas that have increased basic living costs (e.g., Washington D.C.; Boston; Chicago; Los Angeles; New York City; and San Francisco) and ‘non high cost’ areas. For the 2006 year, 125 % of the ‘non high cost’ SMA is \$41,648, for ‘high cost’ areas 125% of the SMA is \$47,989. If the applicant's gross annual salary exceeds the salary cap, the applicant does not qualify for the program.

A student that intends to apply for loan forgiveness under this program shall send a letter to the following address requesting a suspension of repayment obligations and stating the applicant's employer, employment date, and annual salary.

Director of Financial Aid  
280 Boyd Law Building  
University of Iowa College of Law  
Iowa City, Iowa 52242  
Fax 319.335.9019  
law-financialaid@uiowa.edu

If the applicant qualifies for the program, the applicant shall receive a written notice that repayment obligations shall be suspended, although interest on the unpaid principal balance shall continue to accrue.

After the first anniversary of qualifying employment, the applicant shall send a letter from the employer that confirms the applicant's employment for a full year and provides a certification of the salary received for the full year. If the applicant qualifies, 25% of the outstanding principal and accrued interest shall be forgiven.

After the second anniversary of qualifying employment, the applicant shall send a letter from the employer that confirms the applicant's employment for a second full year and provides a certification of the salary received for the second full year. If the applicant qualifies, 33 1/3% of the remaining outstanding principal and accrued interest shall be forgiven.

After the third anniversary of qualifying employment, the applicant shall send a letter from the employer that confirms the applicant's employment for the third full year and provides a certification of the salary received for the third full year. If the applicant qualifies, the entire remaining outstanding principal and accrued interest shall be forgiven.

An applicant need not work for the same employer to qualify for loan forgiveness under this program, but the applicant must work in qualifying employment for the entire period(s) for which loan forgiveness is sought.

If an applicant does not submit a required letter within 60 days after an anniversary of qualifying employment, the applicant shall be converted to active repayment status without further notice; provided, however, that (i) failure to submit a required letter on a timely basis does not disqualify an applicant who otherwise qualifies for loan forgiveness from the program, although no part of any loan shall be forgiven unless and until the required letter is submitted; and (ii) suspension of the applicant's repayment obligations shall be reinstated upon submission of the required letter.

Questions regarding the Iowa Law School Foundation Public Interest Loan Forgiveness Program should be directed to:

Director of Financial Aid  
276 Boyd Law Building  
Iowa City, IA 52242  
319 335-9142  
Fax 319.335.9019  
law-financialaid@uiowa.edu