

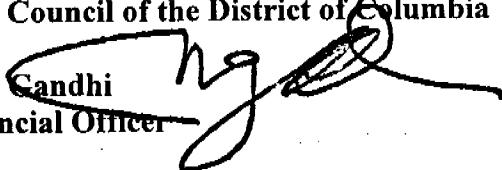
**Government of the District of Columbia  
Office of the Chief Financial Officer**



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi   
Chief Financial Officer

**DATE:** JUN 26 2006

**SUBJECT:** Fiscal Impact Statement: "District of Columbia Poverty Lawyer Loan Assistance Repayment Program Act of 2006."

**REFERENCE:** Bill Number 16-660 as Introduced

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**Conclusion**

Funds are sufficient in the proposed FY 2007 through FY 2010 budget and financial plan to implement the proposed legislation. Funding for the proposed legislation is included in the FY 2007 Proposed Budget and Financial Plan.<sup>1</sup>

**Background**

The proposed legislation would establish a Poverty Lawyer Loan Assistance Repayment Program (LARP) to encourage law students and lawyers to practice in public interest law, including, but not limited to, employment with legal organizations that qualify for D.C. Bar Foundation funding. The LARP would encourage lawyers to pursue employment in public interest law by providing loans to eligible participants.

The loans to participants would be for the purpose of repaying loans for "reasonable educational expenses" related to legal training and would be forgiven upon a participant's completion of the required service obligation. To qualify for the program and receive loan forgiveness, an eligible lawyer must reside in the District, be in good standing with the District, have an adjusted gross income of less than \$65,000, exhaust all other loan repayment assistance opportunities, have no current service obligation from scholarships, and complete the required service obligation.

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<sup>1</sup> Government of the District of Columbia, *FY 2007 Proposed Budget & Financial Plan*, Volume 2, Page A-180. (See also Subtitle III (D) of B16-679, the *FY 2007 Budget Support Act of 2006*).

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Participants in the LARP would not receive payment in excess of \$60,000 for the period of service obligation, or \$1,000 for a single month. The District Office of the Attorney General would have responsibility for establishing and administering the program.

### **Financial Plan Impact**

Funds are sufficient in the proposed FY 2007 through FY 2010 budget and financial plan to implement the proposed legislation. Funding for the proposed legislation is provided in Subtitle III (D) of the FY 2007 Budget Support Act of 2006 (B16-679), which authorizes the District Office of the Attorney General to appropriate \$3.2 million in FY 2007 for the purpose of providing civil legal services for low-income District residents. While Subtitle III (D) of the FY 2007 Budget Support Act does not allocate a specific amount for B16-660, the FY 2007 Proposed Budget and Financial Plan states that the \$3.2 million is for the Access to Justice initiative and "to support Bill 16-660, the Poverty Lawyer Loan Assistance Fund Act of 2006."