



SPONSOR: Rep. Griffith & Sen. Paradee & Sen. Brown & Sen. Gay  
Reps. Bush, Dorsey Walker, Gray, Lambert, Smyk; Sens.  
Hansen, Lopez, Pinkney, Townsend

HOUSE OF REPRESENTATIVES  
151st GENERAL ASSEMBLY

HOUSE BILL NO. 380

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO THE PUBLIC ATTORNEY STUDENT  
LOAN REPAYMENT PROGRAM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1           Section 1. Amend Chapter 51, Title 29 of the Delaware Code by placing all of the existing provisions of that  
2 chapter into a new "Subchapter I" and adding a new "Subchapter II" as shown by underline as follows:

3           Subchapter II. Public Attorney Student Loan Repayment Program

4           § 5151. Establishment; statement of purpose.

5           (a) There is established a Public Attorney Student Loan Repayment Program for attorneys employed by the State  
6 of Delaware for the purpose of practicing law. The program allows qualified applicants to apply for a payment from the  
7 State to the applicant's lending agency to pay a portion of the applicant's qualified educational loan. The Council shall  
8 administer the program.

9           (b) The purpose of the program is to improve the recruitment and retention of attorneys employed by the state of  
10 Delaware to ensure high quality legal services.

11           (c) The application prescribed, and policies adopted pursuant to this subchapter shall be available on the Council's  
12 website.

13           § 5152. Definitions.

14           As used in this subchapter:

15           (1) "Award" means the Council's decision to make a loan payment on an applicant's behalf.

16           (2) "Council" means the Delaware Criminal Justice Council.

17           (3) "Lending agency" means an entity that provides a qualified education loan.

18           (4) "Loan payment" means a payment by the Council to a successful applicant's lending agency of a portion of the  
19 applicant's qualified educational loan.

20           (5) "Loan award committee" means a committee composed of the following members:

21           a. Executive Director of the Council.

22           b. The Chief Defender, or the Chief Defender's designee.

23 c. The Attorney General, or the Attorney General's designee.

24 d. The Chief Justice, or the Chief Justice's designee.

25 e. A member of the Delaware bar appointed by the Governor.

26 (6) "Program" means the Public Attorney Student Loan Repayment Program established in this subchapter.

27 (7) "Qualified educational loan" means a government, commercial, or foundation loan for actual costs paid for  
28 tuition and reasonable educational expenses related to an applicant's undergraduate or law degree program.

29 § 5153. Funding.

30 (a) Appropriations for the program will be made to the Council through the Budget Appropriations Bill in a  
31 separate line item appropriation. The Council is authorized to accept private donations and federal funding to support the  
32 program.

33 (b) The Council may use up to 5% of the amount appropriated for the program to cover costs of administering the  
34 program.

35 § 5154. Eligibility for the program.

36 To qualify to participate in the program, all of the following must apply:

37 (1) The applicant has secured a qualified educational loan prior to submitting an application.

38 (2) The applicant is an active member in good standing of the Bar of the Supreme Court of the State of Delaware  
39 or is practicing law under Rule 55.

40 (3) The applicant has been an employee of the State of Delaware for at least a year, and the applicant's primary job  
41 function is the practice of law.

42 § 5155. Application.

43 (a) The application to participate in the program shall require the applicant to certify that they meet the eligibility  
44 requirements of § 5154 of this subchapter. The application shall otherwise be in the form prescribed by the Council.

45 (b) The applicant must submit a new, completed application each year, along with any additional information the  
46 Council may request in accordance with program regulations.

47 § 5156. Decision and disbursement.

48 (a) The ability to make awards each year is contingent upon the availability of funds.

49 (b) Funds are to be distributed evenly amongst the qualified applicants per year, with the loan award committee  
50 meeting annually to oversee the allocation of funds.

51 (c) Notwithstanding subsection (b) of this section, if there are insufficient funds to make an award to every  
52 applicant who satisfies the requirements of this subchapter, the loan award committee shall give priority to applicants  
53 having the greatest financial need.

54 (d) The applicants having the greatest financial need is determined in the sole discretion of the loan award  
55 committee. The Council shall request all of the following information, but the weight to be given to the information shall  
56 be determined in the sole discretion of the loan award committee:

57 (1) The applicant's income.

58 (2) The applicant's spousal income.

59 (3) The number of the applicant's dependents.

60 (4) The total amount of the applicant's qualified educational loans.

61 (5) The applicant's monthly loan payment amount.

62 (e) The Council shall make payment directly to the applicant's lending agency on behalf of the applicant.

63 (f) An applicant may receive only 1 award per year and may receive no more than 10 awards in the applicant's  
64 lifetime. An award may be made as a single annual payment or disbursed over periodic intervals, at the Council's  
65 discretion.

66 (g) Applicants who make over \$110,000 a year are ineligible for an award under this subchapter.

67 § 5157. Amount of award.

68 An award shall be a minimum of \$2,500 and shall not exceed \$5,000.

69 § 5158. Rules and regulations.

70 The Council may adopt implementing rules and regulations. Rules and regulations shall be adopted in consultation  
71 with the loan award committee.

72 § 5159. Penalties.

73 If an applicant knowingly submits false information or commits fraud in connection with the application process,  
74 the Council may reevaluate the applicant's eligibility for an award and may withdraw an award. Any award made as the  
75 result of deliberate fraud may be recovered by the State through an action at law.

76 § 5160. Annual reporting.

77 Each fiscal year, the Council shall report to the General Assembly, the Attorney General, Chief Defender, and the  
78 Chief Justice the following summary data, which shall be de-identified to the greatest extent possible:

79 (1) The aggregate number of attorneys who applied for an award.

80 (2) The aggregate number of attorneys who received an award.

81           (3) The race, ethnicity, age, and gender represented by attorneys who applied for an award.

82           (4) The race, ethnicity, age, and gender represented by attorneys who received an award.

83           (5) The employer of attorneys who applied for an award.

84           (6) The employer of attorneys who received an award.

85           (7) The legal practice areas of attorneys who applied for an award.

86           (8) The legal practice areas of attorneys who received an award.

87           (9) The average amount of an award to an attorney under to the program.

88           (10) Other summary data identified by the loan award committee.

89           Section 2. If any provision of this Act or the application thereof to any person or circumstance is held invalid,  
90   unenforceable or unconstitutional, the remainder of such provisions, and the application of such provisions to any person or  
91   circumstance other than those as to which it is held invalid, shall not be affected.

#### SYNOPSIS

According to a survey conducted by the American Bar Association, 90 percent of early-career lawyers have student loans, averaging \$130,000. The same survey found that Black borrowers accumulated more debt to obtain their law degree compared to other borrowers of other racial/ethnic backgrounds, and that most young lawyers who borrowed for their education reported that their debt caused them to delay or forego pursuing traditional life milestones, such as purchasing a home, marriage, and starting a family. According to the survey, an overwhelming majority of borrowers – roughly 80 percent – indicated their debt influenced their choice of job or career in some way. Most borrowers reported that salary factored more heavily into their job selection than anticipated. Nearly a third of the sample indicated their position was less focused on public service or doing good than intended when they started law school.

In Delaware, the Office of Defense Services, and the Department of Justice, the primary employers of attorneys working for the state, found that student loan debt was an enormous burden. Attorneys reported monthly payments between \$500 and \$1,000 and debts exceeding \$100,000. The student loan crisis, coupled with sizable salary pay gaps between the state and private sector, has created recruitment and retention issues in the legal sector of state government and has made it difficult to provide improved access to justice.

This Act establishes a Student Loan Repayment Program for attorneys employed with the State of Delaware working as attorneys. The program allows qualified applicants to apply for a payment from the State to the applicant's lending agency to pay a portion of the applicant's student loan debt. The purpose of the program is to improve recruitment and retention for legal service providers at a time when the state is having difficulty attracting attorneys passionate about public service. The amount of the award shall be no less than \$2,500 and no more than \$5,000 annually for 10 years. There is a salary cap of \$110,000. The program will be administered by the Criminal Justice Council and overseen by a committee of stakeholders in the state's legal system.