

HARVARD LAW SCHOOL STUDENT BODY SPRING TERM TWO THOUSAND EIGHTEEN

RESOLUTION NO. Res-201-005

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SUPPORTED BY: Public Interest Committee

A RESOLUTION TO: CALL UPON HARVARD LAW SCHOOL TO ENACT THE COALITION TO IMPROVE LIPP'S PROPOSED CHANGES TO THE LOW INCOME PROTECTION PLAN.

THE STUDENT BODY OF HARVARD LAW SCHOOL ENACTS:

WHEREAS, the average student debt load for students graduating from Harvard Law School now exceeds \$160,000;

WHEREAS, student debt is a major factor impacting HLS students' decisions about their career paths;

WHEREAS, since the 1970s, the Low Income Protection Plan (LIPP) has served an essential role in enabling HLS graduates to pay off their student loan debt while pursuing public interest and other lower-paying careers;

WHEREAS, many alumni on LIPP face difficulties in paying off their student loan debt while supporting themselves and their families;

WHEREAS, in September 2017, nearly 200 HLS alumni wrote a letter to the HLS administration calling for improvements to the program;

WHEREAS, since October 2017, the Coalition to Improve LIPP -- an organization of HLS students and alumni -- has researched loan repayment programs, engaged in conversations with the administration, and deliberated over policy proposals;

WHEREAS, the Coalition to Improve LIPP has developed a list of policy proposals, attached, that, if enacted, would reduce the financial strain that HLS graduates face;

WHEREAS, these proposals call for increasing transition time so that alumni on LIPP will be able to reasonably move between jobs without fear of losing LIPP coverage;

WHEREAS, these proposals call for improvements to LIPP's family leave and dependent care programs so as to enable graduates to care for their families;

WHEREAS, these proposals call for lifting the eligible undergraduate borrowing cap so that students from lower-income backgrounds, who face disproportionately high undergraduate student debt burdens, can pursue their preferred careers;

WHEREAS, these proposals call for lifting the cap on retirement asset protections to enable graduates to save for their futures while on LIPP;

WHEREAS, the Women's Law Association (WLA); Asian Pacific American Law Students Association (APALSA); Black Law Students Association (BALSA); La Alianza; Native American Law Students Association (NALSA); South Asian Law Students Association (SALSA); Middle Eastern Law Students Association (MELSA); Lambda; Queer and Trans People of Color (QTPOC); Jewish Law Students Association (JLSA); First-Generation Professionals at HLS; Prison Legal Assistance Project (PLAP); Labor and Employment Action Project (LEAP); Tenant Advocacy Project (TAP); Mississippi Delta Project (MDP); Progressive Jewish Alliance (PJA); HLS Urbanists; Food Law Society (FLS); Environmental Law Society (ELS); Harvard Health Law Society (HHLS); Civil Rights-Civil Liberties Law Review (CRCL); Journal on Law and Gender (JLG); Reparatory Justice Initiative (RJI); National Lawyers' Guild (NLG); HLS American Civil Liberties Union (ACLU); and the American Constitution Society (ACS) have all signed onto the Coalition to Improve LIPP's letter calling on Dean Manning to implement these proposals;

THEREFORE, BE IT RESOLVED, the Harvard Law School Student Government calls upon the Harvard Law School administration to implement the Coalition to Improve LIPP's policy proposals.

PASSED IN THE STUDENT COUNCIL: March 7, 2018

VOTE TOTALS:

15 **YES**

NO

ABSTAIN

Dear Dean Manning,

We, the Coalition to Improve LIPP and the undersigned HLS student groups, are writing to urge you and the financial aid committee to enact changes to the Low Income Protection Plan to enable all Harvard Law School graduates to pursue the careers of their choosing.

Since the 1970s, LIPP has helped HLS graduates to pursue relatively lower-paying careers. As the average debt burden for an HLS student is now over \$150,000, without LIPP, many students would be unable to consider pursuing relatively lower-paying careers. Because of LIPP, alumni may work for the government, nonprofit organizations or legal services organizations; ‘hang a shingle’ and start their own legal practice; and pursue varied other career paths. Many students choose to come to HLS because of the support that LIPP offers, and we are grateful that Harvard is committed to supporting students’ career choices.

Unfortunately, LIPP fails to meet the needs of too many alumni. For the past several months, the Coalition to Improve LIPP has spoken to alumni on LIPP; conducted research into loan repayment programs at peer law schools; and conducted a survey of the HLS student body. The Coalition has also met with SFS and OPIA to draft an alumni survey designed to learn more about how student debt affects graduates’ career choices and experiences in the workforce. While LIPP helps with the overall burden of student debt, we have heard over and over from alumni about how LIPP comes up short when graduates change jobs, start a family, save for retirement, or care for relatives in need.

Through a deliberative process, the Coalition has developed a list of recommended changes to LIPP policy that will empower HLS graduates of all backgrounds to pursue the careers of their choosing. These policies include:

1. Improving LIPP’s participant contribution scale to address the financial strains that graduates face and bring LIPP in line with loan repayment programs at comparable law schools;
2. Increasing transition time so that alumni on LIPP can move between jobs without fear of losing LIPP coverage;
3. Improving LIPP’s family leave and dependent care programs to enable graduates to care for their families;
4. Lifting the cap on eligible undergraduate borrowing so that students from working-class backgrounds, who face disproportionately high undergrad student debt burdens, can pursue their preferred careers;
5. Lifting the cap on retirement asset protections to enable graduates to save for their futures.

You recently announced that the Financial Aid Committee would consider changes to LIPP. Attached are the Coalition’s proposals for specific changes, based on our research and conversations; we ask that HLS implement them. We look forward to your response; you can email us at lippcoalition@gmail.com.

Thank you,
Coalition to Improve LIPP

**Coalition to Improve LIPP
Proposed Changes
Ratified February 27, 2017**

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Participant Contribution Scale

Current Policy:

1. Participants making \$47,000 or less pay \$0 in annual loan repayments
2. Participants making \$47,000-\$53,000 pay 20% of their income over \$47,000
3. Participants making \$53,000-\$125,000 pay \$1,200 + 40% of their income over \$53,000
4. Participants making \$125,000 and above pay \$30,000 + 80% of income over \$125,000

Proposed Policy:

1. Participants making \$60,000 or less pay \$0 in annual loan repayments
2. Participants making \$60,000-\$80,000 pay 30% of their income over \$60,000
3. Participants making \$80,000-\$125,000 pay \$4,000 + 40% of their income over \$80,000
4. Participants making \$125,000 and above pay \$22,000 + 60% of their income over \$125,000

Family, Medical, and Parental Leave

Current Policy:

1. LIPP participants who receive employer approved parental leave are entitled to six months of LIPP assistance.
2. To be eligible during this period of time, the graduate must be on a formal leave.
3. To be eligible during this period of time, the graduate must be returning to the same employer at the end of the leave
4. LIPP eligibility and contribution rates are calculated as if the graduate were working full-time during this period

Proposed policy:

1. LIPP participants who have a new child; who experience a personal medical condition that prevents them from working; or who seek to care for an elderly or sick relative are entitled to six months of LIPP assistance for each such event.
2. To be eligible for this assistance, the graduate need not be on a formal leave. Rather, the graduate must have worked at a LIPP-eligible position immediately before taking leave; the graduate must also work at a LIPP-eligible position immediately after taking leave.
3. LIPP eligibility and participant contribution will be calculated based on the graduate's actual income during the leave period.
 1. If the graduate is on paid leave but is paid a lower salary during this paid leave, LIPP assistance should be determined based on this lower amount.
 2. If the graduate is on unpaid leave or is in between jobs, the graduate will be understood to have \$0 in income.

Transition Time/Leaves of Absence

Current Policy:

1. Participants are eligible for a total of 8 weeks of LIPP assistance during their entire time in LIPP for periods of transition between two LIPP-eligible positions or for a leave of absence.
2. The assistance provided during the transition is calculated using the higher of the two incomes surrounding the break in employment.

Proposed policy:

1. All LIPP participants are eligible for a “base” of 12 weeks of LIPP assistance for periods of transition between two LIPP eligible positions or for a leave of absence.
2. For every six months that a participant remains in LIPP, i.e. for every LIPP distribution cycle, that participant will ‘earn’ an additional two weeks of transition time LIPP assistance, provided that a participant cannot use more than three months of transition time LIPP assistance at any one time.
3. During a transition time, participant contribution will be calculated based on the graduate’s actual income during the break in employment.

Dependent Care

Current Policy:

1. A dependent care allowance, consisting of \$6,000 for the first dependent, \$3,600 for each additional dependent, and reasonable expenses incurred from childcare, will be subtracted from the income to determine the adjusted income for a participant
2. The allowance is capped at 10% of the household income per child.

Proposed policy/demand:

1. A dependent care allowance, consisting of \$8,000 per child, will be subtracted from the income to determine the adjusted income for a participant.
2. In addition, for each child, a childcare expenses allowance of \$20,000 or 10% of household income, whichever is greater, will be subtracted from income to determine the adjusted income for a participant.

Eligible Borrowing

Current Policy:

1. Up to \$30,000 of combined undergraduate debt and debt incurred while pursuing an eligible joint degree with another Harvard graduate school is eligible for LIPP coverage.

Proposed Policy:

1. All undergraduate debt is eligible for LIPP coverage.

2. In addition, \$30,000 of debt incurred while pursuing an eligible joint degree with another Harvard graduate school is also eligible for LIPP coverage.

Retirement Savings

Current Policy:

1. Assets are considered in determining the amount of a LIPP subsidy for which a participant is eligible.
2. Graduates will receive an asset protection allowance of \$10,000 at graduation, with an additional \$10,000 for each subsequent year employed, and \$10,000 for each full year employed between college and law school.
3. In addition, we protect 50% of the vested retirement account reported by participants.

Proposed Policy:

1. Assets are considered in determining the amount of a LIPP subsidy for which a participant is eligible.
2. Graduates will receive an asset protection allowance of \$10,000 at graduation, with an additional \$10,000 for each subsequent year employed, and \$10,000 for each full year employed between college and law school.
3. In addition, we protect 100% of the participants' retirement savings that are in protected retirement accounts.

Part-Time Work

Current Policy:

1. LIPP covers part-time work for graduates with children not yet of age to enter ninth grade.
2. For purposes of eligibility and contribution rates, the graduate's full-time salary equivalent is considered.

Proposed Policy:

1. LIPP will cover part-time work for all graduates.
2. For purposes of LIPP eligibility and contribution rates, the graduate's full-time salary equivalent is generally considered.
3. In cases where a graduate is compelled to work part-time -- i.e. for medical reasons or because the graduate was involuntarily moved from full-time to part-time work -- the graduate's participant contribution will be calculated based on that graduate's actual income while working part-time.

Clerkships

Current Policy:

1. Should a graduate fail to maintain eligibility for LIPP assistance after a clerkship, the LIPP clerkship loan will become immediately repayable with interest compounded over the clerkship year capitalized.

Proposed Policy:

1. Should a graduate fail to maintain eligibility for LIPP assistance after a clerkship, the LIPP clerkship loan will become fully or partially repayable based on the amount by which the graduate's salary exceeds that graduate's LIPP eligibility.