



## **Senate Bill 134**

### **Public Interest Attorney Loan Repayment Program**

**(As amended 8/19/15)**

#### **SUMMARY**

SB 134 allows for unclaimed property in lawyer trust accounts to be used towards the Public Interest Attorney Loan Repayment program. The Loan Repayment program will promote access to legal services in areas of public interest, by providing loan assistance to attorneys who practice in district attorney, public defender, child support enforcement and legal aid offices.

#### **ISSUE**

According to the American Bar Association, the average debt of a 2012 law school graduate was approximately \$100,000. This level of debt makes it difficult for attorneys who are interested in public service, to pay off their debt and reduces the incentive to work in public interest areas of law since the pay, on average, is substantially lower than private practice.

Public legal service offices, such as child support agencies, have found it increasingly difficult to retain attorneys. Therefore, the clientele of such legal offices, who are many times the most vulnerable legal clients, are deprived of an acceptable level of service.

#### **SB 134 (HERTZBERG)**

This bill will fund the Public Interest Attorney Loan Repayment program with escheated unclaimed lawyer trust accounts. While clients continue to have an indefinite right to claim their property, the property is transferred to the State General Fund after a general 3-year hold period.

The Student Aid Commission (SAC) is designated to administer the loan program, which will include establishing participant eligibility criteria and selecting participants. Participants are eligible for a maximum of eleven thousand dollars (\$11,000) in four years of service.

For the purposes of this bill, providing direct legal service in public interest areas of law includes service at a (1) legal services organization that serves a clientele over 70 percent of whom are low-income individuals (2) prosecuting attorney's office, (3) child support agency office, or (4) public defender's office. Since attorneys at these offices average caseloads of 200-2,000 cases a year, each case will cost the State as little as fifty cents to two dollars under the bill.

#### **CO-AUTHORS:**

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-CA Attorneys, Administrative Law Judges and Hearing Officers in State Employment  
-CA State Conference of the NAACP  
-CA Student Aid Commission  
-Equal Justice Works  
-Legal Aid Association of CA  
-University of California Hastings College of the Law

#### **SUPPORT:**

-Los Angeles District Attorney's Office