

AMENDMENTS TO LB 1014

Introduced by Ashford, 20.

1 1. Insert the following new sections:

2 Section 24. Sections 24 to 32 of this act shall be known
3 and may be cited as the Legal Education for Public Service Loan
4 Repayment Act.

5 Sec. 25. The Legislature finds that many attorneys
6 graduate from law school with substantial educational debt that
7 prohibits many from considering public legal service work. A
8 need exists for public legal service entities to hire competent
9 attorneys. The public is better served by competent and qualified
10 attorneys working in the area of public legal service. Programs
11 providing educational loan forgiveness will encourage law students
12 and other attorneys to seek employment in the area of public legal
13 service and will enable public legal service entities to attract
14 and retain qualified attorneys.

15 Sec. 26. For purposes of the Legal Education for Public
16 Service Loan Repayment Act:

17 (1) Board means the Legal Education for Public Service
18 Loan Repayment Board;

19 (2) Educational loans means loans received as an
20 educational benefit, scholarship, or stipend toward a juris
21 doctorate degree and either (a) are made, insured, or guaranteed by
22 a governmental unit or (b) are made under a program funded in whole
23 or in part by a governmental unit or nonprofit institution; and

1 (3) Public legal service means providing legal service
2 to indigent persons while employed by a tax-exempt charitable
3 organization.

4 Sec. 27. The Legal Education for Public Service Loan
5 Repayment Board is created. The board shall consist of the director
6 of Legal Aid of Nebraska, the deans of Creighton School of Law
7 and the University of Nebraska College of Law, a student from each
8 law school selected by the dean of the law school, a member of
9 the Nebraska State Bar Association selected by the president of
10 the association, and the chief counsel of the Commission on Public
11 Advocacy.

12 Sec. 28. The board shall select one of its members to be
13 chairperson. The board shall meet as necessary to carry out its
14 duties, but shall meet at least annually. The members shall serve
15 without compensation but shall be reimbursed for their actual and
16 necessary expenses as provided in sections 81-1174 to 81-1177.

17 Sec. 29. The board shall develop and recommend to the
18 Commission on Public Advocacy rules and regulations that will
19 govern the legal education for public service loan repayment
20 program. The rules and regulations shall include:

21 (1) Recipients shall be full-time, salaried attorneys
22 working for a tax-exempt charitable organization and whose primary
23 duties are public legal service;

24 (2) Loan applicants shall pay an application fee
25 established by the rules and regulations at a level anticipated
26 to cover all or most of the administrative costs of the program.
27 All application fees shall be remitted to the State Treasurer for

1 credit to the Legal Education for Public Service Loan Repayment
2 Fund. Every effort shall be made to minimize administrative costs
3 and the application fee;

4 (3) The maximum annual loan amount, which initially shall
5 not exceed six thousand dollars per year per recipient, shall be
6 an amount which is sufficient to fulfill the purposes of recruiting
7 and retaining public legal service attorneys in occupations and
8 areas with unmet needs, including attorneys to work in rural areas
9 and attorneys with skills in languages other than English. The
10 board may recommend adjustments of the loan amount annually to the
11 commission to account for inflation and other relevant factors;

12 (4) Loans shall be made only to refinance existing
13 educational loans;

14 (5) A general program structure of loan forgiveness shall
15 be established that qualifies for the tax benefits provided in
16 section 108(f) of the Internal Revenue Code, as defined in section
17 49-801.01; and

18 (6) Other criteria for loan eligibility, application,
19 payment, and forgiveness necessary to carry out the purposes of the
20 Legal Education for Public Service Loan Repayment Act.

21 Sec. 30. The commission shall accept applications for
22 loan forgiveness on an annual basis from qualified persons
23 and shall present those applications to the board for its
24 consideration. The board shall make recommendations for loans
25 to the commission and the commission shall certify the eligible
26 recipients and the loan amount per recipient. The loans awarded
27 to the recipients shall come from funds appropriated by the

1 Legislature and any other funds that may be available from the
2 Legal Education for Public Service Loan Repayment Fund.

3 Sec. 31. The commission may solicit and receive donations
4 from law schools, corporations, nonprofit organizations, bar
5 associations, bar foundations, law firms, individuals, or other
6 sources for purposes of the Legal Education for Public Service
7 Loan Repayment Act. The donations shall be remitted to the State
8 Treasurer for credit to the Legal Education for Public Service Loan
9 Repayment Fund.

10 Sec. 32. The Legal Education for Public Service Loan
11 Repayment Fund is created. The fund shall consist of funds donated
12 to the legal education for public service loan repayment program
13 pursuant to section 31 of this act and application fees collected
14 under the Legal Education for Public Service Loan Repayment Act.
15 Any money in the fund available for investment shall be invested
16 by the state investment officer pursuant to the Nebraska Capital
17 Expansion Act and the Nebraska State Funds Investment Act.

18 Sec. 33. Section 29-3927, Revised Statutes Cumulative
19 Supplement, 2006, is amended to read:

20 29-3927 (1) With respect to its duties under section
21 29-3923, the commission shall:

22 (a) Adopt and promulgate rules and regulations for its
23 organization and internal management and rules and regulations
24 governing the exercise of its powers and the fulfillment of its
25 purpose;

26 (b) Appoint and abolish such advisory committees as may
27 be necessary for the performance of its functions and delegate

1 appropriate powers and duties to them;

2 (c) Accept and administer loans, grants, and donations
3 from the United States and its agencies, the State of Nebraska and
4 its agencies, and other sources, public and private, for carrying
5 out the functions of the commission;

6 (d) Enter into contracts, leases, and agreements
7 necessary, convenient, or desirable for carrying out its purposes
8 and the powers granted under this section with agencies of state or
9 local government, corporations, or persons;

10 (e) Acquire, hold, and dispose of personal property in
11 the exercise of its powers;

12 (f) Provide legal services to indigent persons through
13 the divisions in section 29-3930; and

14 (g) Adopt guidelines and standards, which are recommended
15 to the commission by the council, for county indigent defense
16 systems, including, but not limited to, standards relating to
17 the following: The use and expenditure of funds appropriated
18 by the Legislature to reimburse counties which qualify for
19 reimbursement; attorney eligibility and qualifications for court
20 appointments; compensation rates for salaried public defenders,
21 contracting attorneys, and court-appointed attorneys and overall
22 funding of the indigent defense system; maximum caseloads for
23 all types of systems; systems administration, including rules for
24 appointing counsel, awarding defense contracts, and reimbursing
25 defense expenses; conflicts of interest; continuing legal education
26 and training; and availability of supportive services and expert
27 witnesses.

1 (2) The standards adopted by the commission under
2 subdivision (1)(g) of this section are intended to be used as a
3 guide for the proper methods of establishing and operating indigent
4 defense systems. The standards are not intended to be used as
5 criteria for the judicial evaluation of alleged misconduct of
6 defense counsel to determine the validity of a conviction. They may
7 or may not be relevant in such judicial evaluation, depending upon
8 all the circumstances.

9 (3) With respect to its duties related to the provision
10 of civil legal services to eligible low-income persons, the
11 commission shall have such powers and duties as described in
12 sections 25-3001 to 25-3004.

13 (4) The commission may adopt and promulgate rules and
14 regulations governing the Legal Education for Public Service Loan
15 Repayment Act which are recommended by the Legal Education for
16 Public Service Loan Repayment Board pursuant to the act. The
17 commission shall have the powers and duties provided in the act.

18 2. Renumber the remaining sections and correct the
19 repealer and operative date sections so that the sections added
20 by this amendment become operative three calendar months after
21 adjournment of this legislative session.