



**ToILRAP (Toll Loan Repayment Assistance Program)
Frequently Asked Questions (FAQ)
ToILRAP II
Class of 2013 and More Recent Graduating Classes
Graduates in IBR**

I. Eligible Graduates

Q: What are ToILRAP I and ToILRAP II? Why are they different?

A: ToILRAP I is the program for members of the class of 2012 and all earlier classes, who have the choice of staying in the existing program (ToILRAP I) or entering the new program (ToILRAP II). ToILRAP II is the program for members of the class of 2013 and later classes. The differences in the program reflect the change in the disbursement and treatment of loans by the federal government, including through IBR and Public Service Loan Forgiveness. This FAQ answers only questions for graduates in ToILRAP II.

Q: I am a 2012 graduate, when will my eligibility expire?

A: Your eligibility will expire the 11th calendar year following graduation, December 31, 2022.

Q: I am a 2013 graduate and I am clerking for two years after graduation, when will my eligibility expire?

A: While clerks are not eligible for ToILRAP Awards, a clerkship extends eligibility, and may do so for up to 2 years, meaning that your eligibility expires December 31, 2025. In addition, for ToILRAP II participants, up to 2 years of clerkship may be applied towards vesting in ToILRAP Plus (see below).

Q: I am a 2014 graduate and I am not working for 1 year because of an illness of immediate family member, leave to care for a child, I am getting a Masters, or I was just laid off, when will my eligibility expire?

A: If you take a one year leave for a reason that is eligible for an extension, your eligibility will expire December 31, 2025. Eligibility may be extended for up to two years. You will not be eligible for a ToILRAP Award during leave.

Q: Do I need to report my leave to the ToILRAP Counselor?

A: Yes, please report the change in leave status to the ToILRAP Counselor within 15 business days. Please do so by sending an email to ToILRAPcounselor@law.upenn.edu.

Q: What is ToILRAP Plus?

A: If you are in ToILRAP II, you are eligible for ToILRAP Plus, an additional payment that you can use to pay down principle on you loan debt or on other loan related expenses. If you choose to use these funds for non-loan related expenses, please be aware that there may be tax consequences.

II. Eligible Employment

Q: How do you determine eligible employment?

A: The ToILRAP Counselor will review your job description to confirm that the work is law-related, in that you substantially utilize the legal training and skills that you learned in law school, and at an eligible organization, including a nonprofit organization or institution, including international or foreign NGOs or organizations, whose primary purpose is to serve or advocate on behalf of individuals or organizations whose interests, for various economic, political or social reasons, are not adequately represented by the private sector or the government. Questions of eligibility will be referred to the Administrative Committee.

Q: I am working for an international aid agency, a government agency, or at a non-profit on policy issues, am I eligible?

A: If you are doing law-related work at an eligible organization, then your work should be eligible. The final determination of eligibility will be made by the Administrative Committee.

Q: I am working for a private firm, am I eligible?

A: Work at a private firm requires an individual review to ensure that the position is (1) intended to further the public interest and (2) that at least 51 percent of the work done by both the organization and the participant will involve provision of legal services at no fee, a reduced fee or fees for court-appointed representations to individuals or organizations who are not adequately represented by the private sector or the government. The final determination of eligibility will be made by the Administrative Committee.

Q: I am currently working part-time in an otherwise eligible job, am I eligible for ToILRAP?

A: Part-time work of at least 17.5 hours per week or half of full time for the organization, whichever is greater, is eligible for ToILRAP.

Q: I am working for 2 months on an eligible project, am I eligible?

A: No, temporary employment must be at least 12 months to be eligible.

Q: I am in a one year public interest Fellowship, am I eligible?

A: Yes, a one year Fellowship or other eligible employment of at least 12 months is eligible.

Q: I am volunteering at an organization that hopes to hire me when next year's budget is released, am I eligible?

A: You may be eligible; however, eligibility will be determined on a case-by-case basis. Please contact the ToILRAP Counselor for more information.

III. Eligible Loans

Q: I have undergraduate loans, are they eligible?

A: If you are a ToILRAP II recipient, they are eligible if included in your consolidated loans for IBR.

Q: I have loans from my joint degree with a Penn Law sister school, are they eligible?
A: Yes, loans taken in pursuit of a joint degree with a Penn Law sister school are eligible. They must be included in your consolidated loans for IBR.

Q: I have loans from a graduate degree I got before I came to Penn Law/after I graduated from Penn Law, are they eligible?
A: If you are a ToILRAP II recipient, they are eligible if included in your consolidated loans for IBR.

Q: Should I consolidate my student loans?
A: Consolidation is not always necessary to participate in the Public Service Loan Forgiveness program. Consolidation is only necessary if you have ineligible loans through the old Federal Family Education Loan (FFEL/Stafford) or Perkins student loan programs. Be careful not to consolidate eligible Direct Loans upon which you have already made qualifying PSLF payments before coming to Law School. This action will nullify any qualifying payments made on these loans. The Perkins Loan also has separate cancellations benefits that can become invalid by consolidating this loan. Please review the [Federal/StudentAid](#) webpage to determine if consolidation is right for you.

Q: I took out a private loan for the bar exam, is it eligible?
A: Yes, bar related loans of up to \$10,000 are eligible for assistance.

Q: I will graduate after 2013 and, took out a number of private loans for law school, are they eligible?
A: It depends. Please contact the ToILRAP Counselor.

Q: Am I eligible for the Perkins Loan cancellation program?
A: Before consolidating your Perkins Loan so that it can be included in the Public Service Loan Forgiveness (PSLF) program, consider the cancellation provisions already provided by this program. Law graduates who serve in Law enforcement (IE – prosecutors or defense attorneys) can be eligible for the [Perkins Loan Cancellation](#) program. Under this program, the Perkins Loan could be forgiven sooner compared to the PSLF program which could mean greater financial and career flexibility for the borrower.

IV. Income Eligibility

Q: How do you calculate my income?
A: Your income is calculated based upon the salary you expect to earn in eligible employment in the coming year.

Q: Will getting married effect how you calculate my income?
A: Spousal income will only be included if you choose to file your taxes jointly. For more information, check out our [website](#).

Q: I work part time, how will you treat my income?
A: For ToILRAP II, you will have your income calculated under IBR.

Q: Is there an income cap?

A: For ToILRAP II, income eligibility is capped at \$100,000. In addition, if you make between \$80,000 and \$100,000, you are eligible for a ToILRAP Plus Award, but not for a ToILRAP Award.

V. Assistance Calculation

Q: How much assistance will I receive?

A: For ToILRAP II, ToILRAP awards will cover the cost of your loan payments if you are in IBR. In addition, you would receive a ToILRAP Plus Award after vesting in the program. Please check the ToILRAP Plus schedule to determine an estimate of your ToILRAP Plus Award.

VI. Application Process

Q: How do I apply?

A: Please follow the instructions posted in the on-line application found here: <https://www.law.upenn.edu/careers/toll-loan-repayment.php>

Q: I just accepted a job offer that begins next month, when do I apply?

A: You can apply as soon as you know your salary, start date and annual loan payments. Your ToILRAP Award will not be issued until the month in which you start your eligible employment.

Q: I am a current program participant, when do I apply?

A: All current program participants must apply by November 1 for the following year. Failure to do so may cause a significant delay in the calculation and issuing of your ToILRAP Award.

VII. Reporting Changes to Recipients Employment or Loan Information Outside of the Regular Application Cycle

Q: I just changed jobs, what do I need to do?

A: You must report the change, including job loss, to the ToILRAP Counselor within 15 business days. Please do so by sending an email to TollRAPcounselor@law.upenn.edu.

Q: I am making a change to my loans; do I need to report that?

A: You must report the change to the ToILRAP Counselor within 15 business days. Please do so by sending an email to TollRAPcounselor@law.upenn.edu.

Q: When will a change to my assistance occur?

A: If a change results in a change in the amount of your ToILRAP Award, the change to your assistance will be made as soon as possible and will result in amended assistance for the year. Voluntary changes to a recipient's loan payments that would result in an increased Award (i.e. voluntarily increasing loan payments), including voluntary changes in interest rates or repayment term, will not be considered until the next application cycle.

VIII. Issuing of ToILRAP Awards

Q: How will I know if I am receiving a ToILRAP Award?

A: You will receive a ToLLRAP Award letter and promissory note by email.

Q: When will I receive my loan check?

A: If you applied for the regular November 1 deadline, you should receive your award payment in January and June. However, Penn Law cannot guarantee the receipt of funds by recipients at any particular date, so plan accordingly. If you applied outside the regular application deadline, you should receive your award payment six to eight weeks after receiving your Award letter. However, Penn Law cannot guarantee the receipt of funds by recipients at any particular date, so plan accordingly.

Q: What is the ToLLRAP promissory note?

A: The ToLLRAP promissory note outlines the terms of the ToLLRAP loan agreement. You must sign and return the promissory note in order to receive your ToLLRAP check.

IX. Repayment

Q: I have accepted a non-ToLLRAP eligible position and have only been in the ToLLRAP program for 3 months, what do I do?

A: You must report the change to the ToLLRAP Counselor within 15 business days. Please do so by sending an email to TollRAPcounselor@law.upenn.edu. You will be asked to pay back your ToLLRAP Award loan, but on the time frame laid out by the promissory note (10 years). Please be aware that there are tax consequences to having received and kept loan monies but not having fulfilled the term of service.

Q: I have accepted a non-ToLLRAP eligible position and have only 2 months left in this ToLLRAP year, what do I do?

A: You must report the change to the ToLLRAP Counselor within 15 business days. Please do so by sending an email to TollRAPcounselor@law.upenn.edu. Penn Law may waive or pro-rate repayment, but please be aware that there are tax consequences to having received and kept loan monies but not having fulfilled the term of service. We hope that in the future you will be able to pay back your loan or otherwise contribute to the ToLLRAP fund so that other deserving graduates will have the benefit of ToLLRAP money.

Q: I have moved from one eligible position to another at a different organization, what do I do?

A: You must report the change to the ToLLRAP Counselor within 15 business days. Please do so by sending an email to TollRAPcounselor@law.upenn.edu. Each such change will be evaluated on a case-by-case basis.

Q: I was laid off after 6 months in the ToLLRAP eligible position; do I have to start repaying my loan right away?

A: If a participant is laid off, has temporary employment come to an end (i.e., a fellowship), or otherwise loses their employment, and is not re-employed in eligible employment within 30 days, repayment of the LRAP loan is not triggered until twelve months from the date of the loss of eligibility or until the participant is re-employed, whichever is earlier. The repayment amount may be pro-rated based on the months of eligible employment not fulfilled for those entering non-eligible employment. For those returning in eligible employment, the debt may be waived upon application. Please be aware that there are tax consequences to having received and kept loan monies but not having fulfilled the term of service.

X. Taxability of ToILRAP Assistance

Q: What are the tax consequences for a forgivable loan like ToILRAP?

A: If you complete the term of service and use the ToILRAP funds towards the payment of loans, the loan is not treated as income. ToILRAP assistance received by volunteers, University of Pennsylvania employees or by those working for a foreign organization that is not based in the U.S. may be taxable. However, always check with your tax advisor.

Q: What are the tax consequences if I do not complete my full year or pro-rated year of eligible service in the ToILRAP program?

A: Any portion of a ToILRAP Award that you do keep may be taxable. However, always check with your tax advisor.

Q: What are the tax consequences of ToILRAP Plus?

A: If you complete the term of service and use the ToILRAP funds towards the payment of loans, the loan is not treated as income. Any portion of ToILRAP funds that you do not spend on loans may be treated as income. Please check with your tax advisor.

XI. ToILRAP Administration

Q: Who should I contact if I have questions about my ToILRAP application or Award?

A: Please contact the ToILRAP Counselor. You may do so by sending an email to ToILRAPcounselor@law.upenn.edu or by calling 215-898-3086.

Q: Will there be future changes to ToILRAP Program?

A: Penn Law is committed to promoting the pursuit of public interest careers by its graduates. Any changes contemplated will be measured against the policy objectives of the ToILRAP Program and the resources available to support ToILRAP.

Q: If I am in ToILRAP II, and the government ends IBR, what will happen to my ToILRAP award?

A: Penn Law is committed to promoting the pursuit of public interest careers by its graduates. Major changes to the loans of its students that effect the operation and goals of the program will cause a review of the program. Any changes contemplated will be measured against the policy objectives of the ToILRAP Program and the resources available to support ToILRAP.

Q: I do not agree with my ToILRAP Award or other ToILRAP-related decision that was applied to me by the ToILRAP Counselor, can I appeal the decision?

A: Yes. You may ask for a review by the Administrative Committee. If, after the decision of the Administrative Committee, you believe that your case represents an exception to that decision, you may ask for a review by the faculty members of the Public Service Faculty/Student Committee.