Via electronic mail

December 3rd, 2024

Governor Kathy Hochul New York State Capitol Building Albany, NY 12224

Dear Governor Hochul,

We, the undersigned unions, defender organizations and District Attorneys, write to demonstrate our support for expanded eligibility and increased funding of the Higher Education Services Corporation (HESC) District Attorney and Indigent Legal Service Attorney Loan Forgiveness Program (DALF) program as considered in A.1568D (Simon) and S.4511C (Ramos). We urge you to **allocate \$4 million in the proposed Executive FY26 Budget** to fund the modest expansion of this crucial loan assistance program for public defenders, other indigent legal service attorneys, and prosecutors across New York.

As we head into 2025 the fate of federal student loan programs is once again at great risk. Public interest loan forgiveness programs and reduced payment monthly plans have been attacked. If these programs are curtailed in the coming year, loan payments could increase by hundreds of dollars per month. For those who took on significant amounts of student debt to complete a professional degree to serve the public interest, the prospect of debt cancellation could be completely out of reach.

This tumultuous moment calls for New York to lead the way in protecting student borrowers working in the public interest by strengthening and expanding the HESC-DALF program. By including HESC-DALF in the FY26 budget and passing it into law, New York can ensure that public interest jobs attract and retain a diversity of people dedicated to public service as a long and lasting career.

Public defenders in criminal court and indigent legal service attorneys such as advocates for children and parents in family court, housing and immigration attorneys and public benefits attorneys provide vital services to their communities in their constitutionally and legally mandated roles. These attorneys, as well as assistant district attorneys throughout the state, have been experiencing high attrition rates resulting in ever-expanding workloads for largely stagnant salaries. New York cannot afford to lose more experienced public interest attorneys, neither those who represent people facing serious consequences nor those who speak for victims in our law enforcement offices. Every time one of these lawyers is forced into the private sector for more pay, our collective ability to resolve legal matters grinds to a halt and the people of New York suffer the consequences of justice delayed.

We do note that as written, Assigned Counsel Plan (ACP) attorneys are excluded from HESC/DALF relief even though in many parts of our state, ACP providers are the sole resource of services to indigent New Yorkers. We encourage more consideration of this exclusion for attorneys working 40 hour weeks as assigned counsel who also carry student debt.

Since the inception of the DALF Program in 2009, law school tuition has grown dramatically but the award has remained capped at \$3,400 per year with only six years of eligibility equal to a possible \$20,400 of total award. According to the American Bar Association,¹ lawyers graduate with an average debt of \$130,000, yet the HESC fund for attorneys working in indigent legal services or as district attorneys is the lowest of the awards program offered.

The loan assistance for public interest attorneys and district attorneys lags behind both licensed registered nurses, who graduate with an average debt of \$55,000 and are eligible for up to \$40,000 in HESC award, and social workers, who graduate with an average debt of \$76,000 and are eligible to receive up to \$26,000 in HESC award.

In fall 2023, student loan borrowers returned to repayment after over three years of paused payments under the CARES Act. The Biden Administration created several initiatives to ease borrowers back into repayment and prevent defaults while also working to bring a new Income Driven Repayment plan called "SAVE" online. These federal programs have been under relentless attack in the courts with several overlapping lawsuits to block any relief. With the incoming administration, borrowers are facing an even more uncertain landscape heading into 2025.

Every piece of the federal student loan program appears to be at risk, including Public Service Loan Forgiveness and Income Driven Repayment. Legal services attorneys relied on promises from the federal government that if they gave back through public service, their student debt burdens would be eased and ultimately canceled. By expanding DALF, New York state has the opportunity to step into the gap created by this uncertainty at the federal level and ensure that attorneys in New York state devoted to the public good can remain in their current positions; a critical component of public safety.

The requested addition of \$4 million dollars in the General Fund, Local Assistance Account earmarked specifically for DALF, along with the approximately \$2 million yearly existing allocation and the legislative language of A.1568D/S.4511C will right-size the award program by both expanding the total eligible award and the number of years of eligibility.

This enhancement will ensure that dedicated and experienced public interest attorneys and prosecutors with student debt remain in these roles, rather than leaving for higher paying jobs in the private sector. We, the undersigned organizations, ask you to make New York a leader in protecting student borrowers working in the public sector, by including \$4 million additional dollars to fund this expansion in your proposed executive budget for FY26.

Thank you for your consideration,

The Legal Aid Society UAW Local 2325, Association of Legal Aid Attorneys. UAW NY Chief Defenders Association of New York

¹ "How to Minimize Law School Debt" by Ilana Kowaraski and Cole Claybourn July 3, 2023, available at https://www.usnews.com/education/best-graduate-schools/top-law-schools/articles/how-to-minimize-law-school-debt

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