

House Bill 1607

By: Representatives Stephenson of the 60th, Post 1, Bordeaux of the 125th, Mobley of the 58th, Mangham of the 62nd, Stokes of the 72nd, and others

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Code Section 20-3-386 of the Official Code of Georgia Annotated, relating to the
2 distribution of education loan repayment assistance for public interest lawyers, so as to
3 remove the six-month waiting period; to remove the 18 month requirement of services; to
4 provide for a 24 month requirement of services; to provide for other related matters; to repeal
5 conflicting laws; and for other purposes.

6 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

7 **SECTION 1.**

8 Code Section 20-3-386 of the Official Code of Georgia Annotated, relating to the distribution
9 of education loan repayment assistance for public interest lawyers, is amended by striking
10 said Code section in its entirety and inserting in lieu thereof the following:

11 "20-3-386.

12 (a) ~~Beginning the seventh month that an attorney is employed in one of the positions listed~~
13 ~~in Code Section 20-3-385, the~~ The authority may distribute education loan repayment
14 assistance for ~~the~~ an attorney employed in one of the positions listed in Code Section
15 20-3-385 in an amount not to exceed \$600.00 per month or the attorney's monthly debt
16 service at the time the initial payments on the loan commenced, whichever is smaller
17 except as otherwise provided in Code Section 20-3-387. The attorney may also elect to
18 receive an amount less than the maximum amount authorized and less than the attorney's
19 monthly debt service.

20 (b) As a condition of receipt of the loan forgiveness provided for in subsection (a) of this
21 Code section, the attorney shall enter into a contract with the authority providing that the
22 attorney will remain employed in one of the capacities specified in subsection (a) of Code
23 Section 20-3-385 for ~~one month after receipt of the attorney's last monthly installment of~~
24 ~~such assistance for each month for which such assistance was received up to a maximum~~
25 ~~of 18 months. If the attorney receives the maximum amount authorized, the attorney shall~~
26 ~~remain employed in such capacity for 18 months after receipt of the last monthly~~

1 installment. If the attorney receives a lesser amount of education loan repayment
2 assistance than the maximum amount authorized, the employment commitment shall be
3 decreased proportionately, as determined by the authority; provided, however, that the
4 authority may release the attorney from such obligation if it is demonstrated to the
5 satisfaction of the authority that such attorney is unable to obtain employment in said
6 specified capacities 24 months.

7 (c) In the event that the attorney breaches the conditions of the contract with the authority,
8 all moneys distributed by the authority under the contract ~~during the 18 months~~
9 immediately preceding the month in which the breach occurs shall at once become due and
10 payable to the authority in cash with interest at a rate to be set by the authority.

11 (d) The authority shall attempt to operate in such a manner as to qualify for the tax benefits
12 provided in 26 U.S.C.A. Section 108.

13 (e) Nothing in this subparagraph shall preclude the obligations of the attorney to repay his or her
14 student loan by cash or by service."

SECTION 2.

16 All laws and parts of laws in conflict with this Act are repealed.