

**Bureau of Justice Assistance (BJA)
John R. Justice (JRJ) Grant Program
Frequently Asked Questions (FAQs)
(Revised 7/1/2019)**

- 1) ***Update*** If a state or territory, including the District of Columbia, does not have public defenders that are eligible, as defined by the statute, to apply for John R. Justice (JRJ) funds, is such state still eligible to administer the JRJ grant program?

Yes, a state or territory, including the District of Columbia, without eligible public defenders may still apply for JRJ funding. If a state does not have eligible “public defenders” (as defined by the JRJ statute) that state’s loan repayment disbursements will go to state and local prosecutors, by default. The state must still ensure a fair allocation of repayment benefits among prosecutors and public defenders wherever applicable. States should note that certain federal public defenders are eligible beneficiaries under the JRJ statute. Every state has full-time federal public defenders who practice within that state. Thus, the absence of eligible state or local “public defenders” will not, in and of itself, absolve the state from ensuring a fair allocation between eligible prosecutors and public defenders.

As described in the JRJ solicitation, applicants must describe the JRJ agency’s plan to consider a fair distribution of funding.

- 2) **Are individuals who are elected prosecutors or public defenders eligible for the JRJ program?**

No. Although the statute does not specifically prohibit the awarding of JRJ funds to elected officials (assuming they otherwise would qualify as an eligible beneficiary), BJA, in its discretion, has determined that policy and ethical considerations preclude elected officials from being eligible. This prohibition does not extend to persons who hold elected offices other than as a prosecutor or public defender (e.g., city council member status unrelated to prosecutor/public defender position), provided: (1) a reasonable person could conclude that the individual’s elected status did not form a basis for their selection for JRJ benefits; (2) that the person did not use their office to influence a decision pertaining to the application; and (3) that the person’s obligations to his/her elected office do not interfere with the fulfillment of the JRJ service obligation.

- 3) **Has BJA administered the JRJ grant program prior to this year?**

Yes. This is the seventh year that BJA is administering the JRJ grant program. BJA first administered the program in 2010.

- 4) **What amount of JRJ funding will each state receive?**

The state and territory funding allocation list can be found on the JRJ page of the BJA web site at: www.bja.gov/ProgramDetails.aspx?Program_ID=65.

- 5) **How much money from the JRJ allocation can each state spend on administrative costs?**

Each state can spend no more than 10 percent of their total allocation on administrative costs. This includes all other budget line items other than tuition reimbursement costs. Please refer to OJP's financial guide for further information on allowable costs (www.ojp.usdoj.gov/financialguide/index.htm).

6) Can a designated state agency contract with a private non-profit organization to manage the JRJ program?

Yes, a designated state agency may contract with a private non-profit organization to manage the JRJ program so long as the cost of such contract does not exceed 10 percent of the state's allocation. No more than 10 percent of a state's total allocation of JRJ funds may be spent on administrative costs.

7) Will BJA extend the application deadline upon request if a designated state agency requires additional time?

BJA encourages all states to submit their applications in a timely fashion and has attempted to provide a reasonable application period, in an effort to allow for the completion of a quality application.

8) What additional information, other than the designation, is a state required to submit as part of its application?

Each application year, the Governor of each state or territory, and the Mayor in Washington, D.C., must submit a letter designating a state agency to administer the JRJ program. Once the Governor has designated such agency, that Governor-designated agency must submit an application for JRJ funds. The JRJ state solicitation is available at: www.bja.gov/ProgramDetails.aspx?Program_ID=65.

9) How does a prosecutor or public defender apply for JRJ student loan repayment benefits?

Prosecutors or public defenders who are interested in learning about, and/or applying for, JRJ loan repayment benefits should contact the state agency that has been designated by its Governor to administer the JRJ program. Governor-designated state agencies along with contact information can be found at: www.bja.gov/Funding/JRJStateAgencies.pdf.

10) *Update* What is the award start and end date?

Start date: October 1, 2019
End date: September 30, 2021

11) How are the funds disbursed to the Governor-designated state agency and who will handle the individual loan repayment?

Funds are disbursed in the beginning of the award once a financial clearance is granted and all withholding special conditions are sufficiently complied with. BJA will make a one-time allocation of funds to the Governor-designated state agency. The individual loan repayments will be handled directly by the Governor-designated state agency.

12) Are there limitations regarding the number of years an attorney has been practicing?

There are no statutorily- or BJA-imposed limitations regarding the number of years an attorney must practice before becoming eligible to apply for loan repayment benefits. The states, however, have the discretion to impose such a limitation if they so choose.

13) Is there a suggested means of determining the “cost of living adjustment” for applicants, as required for the plan to select the “least able to pay” within the entire applicant pool?

The Governor-designated state agency has discretion on determining the “cost of living adjustment” for applicants. We encourage states to work with their Department of Labor to determine the appropriate formula and make adjustments, if necessary, for any increases in the cost of living.

14) What is considered full-time employment for the purpose of this solicitation?

Full-time employment is considered “not less than 75 percent of a 40 hour work week” for the purpose of this program.

15) Does a person have to be employed full-time at the time of selection to be eligible?

Not necessarily, but an applicant must be a “full-time employee” of a state or unit of local government (in the case of “prosecutors) or a “full-time employee” of a state, unit of local government, qualifying non-profit organization (under 42 U.S.C. §3797cc-21(b)(2)(B)(ii)) or qualifying full-time federal defender (under 42 U.S.C. § 3797cc-21(b)(2)(B)(iii)) prior to actual receipt of benefits.

16) Are attorneys who handle appellate-level criminal or juvenile delinquency case work eligible for this program?

Yes, provided they otherwise meet the definition of a full-time “prosecutor” or “public defender” under the statute (and the solicitation and guidelines).

17) Are attorneys who handle an exclusively civil caseload, such as civil forfeiture or dependency cases, eligible for this program?

No.

18) Are loans that were purchased or sold by the original holder eligible for payment?

Loans purchased or sold by the original holder are eligible for payment, assuming the other conditions of the statute (and the solicitation and guidelines) are met. The requester must submit proof that the original loan qualified under the JRJ statute.

19) **May the designated state agencies issue co-payment of the loan repayment award jointly to the beneficiary and the lender?**

No. The statute clearly provides only for "direct payments on behalf of a borrower to the holder of [the qualifying] loan." SAAs should issue their checks only by direct payment to the lenders, in accordance with the statute.

20) **May a designated state agency use "salary" rather than "gross or net income" in determining which applicants have the least ability to repay their loans?**

Yes. A state may use an applicant's salary instead of gross or net income. Page 6 of the JRJ solicitation, under "State Compliance with Statutory Requirements" reads: "States may use their own discretion in identifying a methodology that best identifies a person's ability to repay their loans; however, at a minimum, this plan **should** include an assessment of the following..." As this language suggests, states are given discretion and flexibility to identify the appropriate factors to determine "the least ability to repay." BJA is relying on these agencies to apply their knowledge and expertise to determine such formula. In the future, should a best practice be determined, BJA will provide additional guidance on the "least ability to repay."

21) **How is "spouse" defined for the purposes of JRJ?**

A state should defer to its own state law definitions of the term, or otherwise use its discretion in defining this term.

22) **In determining which applicants have the least ability to repay their loans, if an applicant is married, must a state agency use "household income"?**

A state may, but is not required to do so, and should use its discretion in making this determination.

23) **Are there tax consequences associated with receipt of JRJ benefits?**

The Bureau of Justice Assistance does not provide legal advice on possible tax obligations resulting from receipt of JRJ benefits. The following is provided for informational purposes only. Beneficiaries of JRJ Student Loan Repayment Program benefits remain personally responsible for, and should consult with their tax advisors for advice on, any tax obligations resulting from benefits paid on their behalf.

As a courtesy to JRJ beneficiaries and state administering agencies, BJA has requested information from the Internal Revenue Service (IRS) that may be helpful to beneficiaries and

JRJ state administering agencies (SAAs) in determining tax consequences of JRJ benefits. The IRS provided a response to that request and a copy of both the inquiry and response are available on our web site at: www.bja.gov/ProgramDetails.aspx?Program_ID=65.

24) Whether employees of Public Defender Service (PDS) in the District of Columbia qualify as “public defenders” as that term is defined under the John R. Justice statute (42 U.S.C. 3797cc-21(2)).

The statute defines “public defender” to mean an attorney who—

(A) is continually licensed to practice law; and

(B) is—

(i) a **full-time employee of a State or unit of local government** who provides legal representation to indigent persons in criminal or juvenile delinquency cases (including supervision, education, or training of other persons providing such representation);

(ii) a full-time employee of a nonprofit organization operating under a contract with a State or unit of local government, who devotes substantially all of the employee’s full-time employment to providing legal representation to indigent persons in criminal or juvenile delinquency cases (including supervision, education, or training of other persons providing such representation);
or

(iii) employed as a full-time Federal defender attorney in a defender organization established pursuant to subsection (g) of section 3006A of Title 18, that provides legal representation to indigent persons in criminal or juvenile delinquency cases. (Emphasis added).

The Omnibus Crime Control and Safe Streets Act of 1968, of which the John R. Justice statute is an amendment, defines (in relevant part) “unit of local government” at 42 U.S.C. 3791(a)(3)(D) to mean “for the purposes of assistance eligibility, any agency of the government of the District of Columbia or the Federal Government that performs law enforcement functions in and for—(i) the District of Columbia. . . .” Therefore, for purposes of the John R. Justice Loan Repayment Program (JRJLRP), as an entity providing a law enforcement function in the District of Columbia (public criminal defense legal services), PDS should be considered a “unit of local government,” and otherwise eligible employees of PDS should be considered for eligibility as beneficiaries if they are full-time employees of PDS who also provide “legal representation to indigent persons in criminal or juvenile delinquency cases (including supervision, education, or training of other persons providing such representation.”

25) Once awards are made, how will money be disbursed to the state agencies?

States will be able to access their award via a draw down, not in a lump sum.

**26) Is a person eligible if their loan is “past due,” but still reported as in a payment status?
Is a person eligible if their loan is in a “deferment” or “forbearance” status?**

The JRJ statute authorizes a program by which direct payments are made to the holder of a qualifying loan on behalf of an eligible beneficiary (borrower) who is not in default on a loan for which the person seeks forgiveness. The term “default” is understood to have the same definition as it does under the applicable provisions of the beneficiary’s loan agreement with his/her lender. Therefore, in reviewing applications, SAAs should confirm that the lender does not consider the applicant to be in a “default” status. Any individual who is considered by their lender to be in “default” status at the application stage should not be selected for JRJ benefits.

During the course of the service agreement, SAAs should require periodic certifications by the beneficiary (borrower) and/or lender to ensure that the beneficiary (borrower) is not, and has not been, in a “default” status and therefore has maintained his/her eligibility for JRJ benefits. The terms of the qualifying loan will control: if “past due,” “deferment,” “forbearance” or another similar status is not the equivalent of a “default” under the terms of the qualifying loan, then neither will it disqualify the person from eligibility under the JRJ statute. Beneficiaries are required, under the terms of the service obligation agreement, to notify their SAA of a “default” status. Failure to do so will be considered a breach of the service obligation agreement. SAAs should notify their BJA grant managers upon notice of a beneficiary in “default” status.

27) When does the service obligation begin?

Ordinarily, the effective date of the beneficiary’s obligation to remain employed for 3 years as a qualifying “prosecutor” or “public defender” begins on the date that the beneficiary first enters into duty (as such qualifying “prosecutor” or “public defender”) after executing the service obligation agreement. The effective date of any service agreement subsequently entered into by the beneficiary (pursuant to 42 U.S.C. §3797cc-21(e) (“Additional agreements”)) will be the day following the expiration of the prior service obligation. Beneficiaries may not credit any service as a public defender or prosecutor prior to execution of the agreement toward the service obligation.

28) I’ve signed multiple service agreements under my original 3 year service agreement. Do these service agreements add compounded service time?

Through the first 3 years of the program, JRJ beneficiaries have been subject only to one JRJSLRP Service Agreement, executed at the time that the JRJ beneficiary first entered into the JRJ program. BJA is aware that, in certain cases, some JRJ beneficiaries have been asked to, and have subsequently signed, additional JRJSLRP Service Agreements even though the date of said execution occurred within the original 3-year term of the JRJ beneficiary’s obligation of service. Such subsequent “agreements” should not be understood to extend the original term of the service obligation, but rather serve as a reaffirmation and acknowledgement of the original signed agreement and its terms and conditions. State JRJ administering agencies are now required to use Appendix D to the John R. Justice program application guidance (“John R. Justice Student Loan Repayment Program (JRJSLRP) Service Agreement Acknowledgment of Benefit” form) as evidence of such reaffirmation and acknowledgment.

29) Is a beneficiary obligated to enter into a new service agreement of 3 years in addition to, and upon completion of, the initial 3-year service commitment if that person is selected again by the JRJ SAA?

Pursuant to the statute (42 USC 3797cc-21(e)(2)), the period of any new term of service obligation would have to be determined on a case-by-case basis. Beginning in fiscal year 2013, any JRJ beneficiary who enters into a JRJSLRP Service Agreement – Secondary Term of Service (Appendix C to the JRJSLRP program application guidance) (i.e., an additional year or years of service after the original 3-year term has been satisfied), will agree to extend the beneficiary’s term of service obligation by the period of time expressed therein, in exchange for the receipt of additional JRJ benefits.

30) Does the service agreement permit the Department of Justice to collect more than the principal amount of the award if the terms of the service agreement are not satisfied?

In the event of a breach of the service obligation agreement, a principal sum equal to the amount that the beneficiary is required to repay to the Department of Justice “shall be recoverable by the Federal Government” from the beneficiary (or the beneficiary’s estate, if applicable) by such methods as provided by law for the recovery of amounts owed to the Federal Government. The foregoing should not be understood to preclude the Federal Government from recovering any interest that may be owed in the collection of a debt.

31) How should a JRJ Recipient in repayment status repay the financial obligation they’ve incurred under the terms of their signed JRJ Student Loan Repayment Program (SLRP) Service Agreement?

Consistent with the terms of the JRJ SLRP Service Agreement, JRJ recipients are required to inform their JRJ state administering agency of their separation from a qualified position of employment and the status of their repayment. A payment in the total amount of the JRJ Student Loan Repayment benefits that have been made on behalf of the JRJ recipient must then be sent to the Office of Justice Programs (OJP) Office of the Chief Financial Officer (OCFO) with a notation of the applicable Grant Number(s) from which the funds were derived, reflecting the separate amount from each grant, at the following address:

U.S. Department of Justice, Office of Justice Programs
Office of the Chief Financial Officer (Attn: Accounting Control Branch)
810 Seventh Street, N.W.
Washington, DC 20531

A note should be stapled to the check with the award number(s) and amount(s) awarded from each award for which the JRJ Beneficiary did not meet their term obligations.

32) What if a JRJ beneficiary in repayment status is unable to repay the full sum of their received JRJ benefits within a certain timeframe?

Once a JRJ recipient has been determined to be in a “repayment status,” such information will be communicated to BJA by the SAA. The Office of Justice Programs’ Office of the Chief Financial Officer (OJP’s OCFO) will receive a list of exiting recipient(s) from the SAA through JEFs secure site on a quarterly basis. The OJP’s OCFO will coordinate with BJA to determine which existing recipient(s) in the repayment status matter will refer to the U.S. Department of Treasury via Centralized Receivables Service (CRS). Acting on behalf of

OJP, the CRS is a collection service provided by the U.S. Department of the Treasury. The OJP's OCFO will refer the existing recipient(s) in repayment status that is non-complaint in repaying the debt within 2 business days of receiving the list of existing recipient(s) from the SAA. The U.S. Department of the Treasury via CRS automatically generate and mails an invoice with due process notifications to the debtor. The U.S. Department of the Treasury via CRS begins to apply interest and collection fees in addition to the principal amount owed 30 days after the invoice and due process notification is mailed. The U.S. Department of the Treasury via CRS may arrange for a repayment plan for debtors up to 3 years. If the debtors are not responsive within 65 days after the invoice and due process notification is mailed, CRS refers the case to Treasury Cross-Servicing (FedDebt) for further collection actions. For more information, please reference the JRJ Roles and Responsibilities document at www.bja.gov/ProgramDetails.aspx?Program_ID=65

33) Can a JRJ recipient in “repayment status” arrange for a payment plan?

Acting on behalf of OJP, the U.S. Department of the Treasury via CRS may arrange for a repayment plan for debtors up to 3 years.

34) How long does a JRJ recipient in “repayment status” have before the outstanding debt is referred to the U.S. Treasury Department for collection?

Acting on behalf of OJP, the CRS is a collection service provided by the U.S. Department of the Treasury. The U.S. Department of the Treasury via CRS collects OJP outstanding debt. The OJP's OCFO will receive the existing recipient(s) list in repayment status from SAA and coordinate with BJA to determine which existing recipient in the repayment status will be refer to the U.S. Department of the Treasury via CRS. Upon making the determination, the OJP's OCFO will refer the debt to the U.S. Department of the Treasury via CRS within 2 business days of receiving the existing recipient(s) list in repayment status. Debt disputes should be followed by a request for waiver as described in FAQ number 41 below. In the event such period expires without the total sum of JRJ benefits being repaid by the debtor or appropriate dispute, OJP's OCFO will immediately refer the remaining debt to Treasury via CRS. If the debtors are not responsive within 65 days after the invoice and due process notification is mailed, CRS refers the case to Treasury Cross-Servicing (FedDebt) for further collection actions. For more information, please reference the JRJ Roles and Responsibilities document at www.bja.gov/ProgramDetails.aspx?Program_ID=65

35) Can a beneficiary hold some of the grant award to pay any tax liability rather than have all of these funds apply to repayment of a qualifying loan?

No. As an initial matter, the JRJ loan repayment benefits may not be paid directly to a beneficiary. Per 42 U.S.C. §3797cc-21(c), payments are to be made directly to the holder of the loan (i.e., the lending institution) for the benefit of the borrower. Furthermore, the statute specifically authorizes repayment of loan obligations, not tax obligations of a beneficiary.

The beneficiary remains liable for their loan debt and for any late fees assessed by their lender. The JRJ program is intended as a supplement to, not a substitute for, each beneficiary's individual loan payments.

36) Will JRJ funds be available in FY 2020?

A FY 2020 general appropriation for activities of the Department of Justice has not been passed by Congress or approved by the President. Information about future funding will be posted when available.

37) How will the JRJ grant program affect funding through the Public Service Loan Forgiveness (PSLF) program?

While the publicity of the availability of other federal student loan repayment plans (e.g., the Income-Based Repayment (IBR), Public Service Loan Forgiveness (PSLF), and other available loan repayment assistance programs (LRAPs)) is obviously encouraged, BJA also endorses coordination by JRJ administering agencies (to the greatest extent possible) of such programs to promote the optimum benefit to the recipient. The following provides an example of how lump sum payments and monthly payments of JRJ benefits may interplay with the PSLF program and may provide an opportunity to improve coordination:

It is BJA's understanding that in order to be eligible for the PSLF program, a borrower must make 120 "separate, monthly" payments. When a loan servicer receives a lump sum payment – which is to say, a payment in excess of what the borrower is obligated to pay for the month – the loan servicer assumes that the excess, while immediately applied to reduce outstanding interest and principal on the loan, is intended to cover future installments. When future installments are satisfied, the borrower is no longer obligated to make monthly payments for the number of months for which the installment has been fully satisfied. BJA understands that this may present two problems for individuals who receive both JRJ and PSLF benefits:

- The first is that the lump sum payment, while satisfying more than one month's payment obligation, is not a "separate payment". Therefore, it can only count as "one" PSLF payment.
- The second problem is that, by removing the borrower's obligation to make future monthly payments, the borrower cannot, for those months, make a "monthly payment" in some cases – even if the borrower voluntarily remits money.

The second problem can be remedied by providing application of payment instructions with the payment. Specifically, the payor/borrower could state that s/he does not intend to apply the excess toward future installments, which will ensure that the borrower continues to be obligated to make future payments over subsequent months. Each loan servicer should provide, on the billing statement, information regarding how the borrower/payor is to provide payment instructions. Therefore, JRJ recipients may be advised (in order to maximize the amount of credit they may receive from PSLF program while working in employment that also entitles them to JRJ program benefits) to provide special payment instructions associated with their JRJ Program award. Borrowers should also be able to provide these instructions for a payment that has already been applied, provided that it is done promptly after the payment is applied.

This example is provided solely for illustrative purposes and should not be construed as financial advice. All grantees and beneficiaries should independently consult with the U.S. Department of Education (and/or other sources) to learn how receipt of JRJ benefits may affect awards through the Public Service Student Loan Forgiveness Program.

Law school, state-based, and employer-based Loan Repayment Assistance Programs (LRAPs) have individual policies regarding the effect of receiving benefits from other LRAPs (which may include JRJ benefits in some cases). Applicants are encouraged to contact the LRAP administrators of the programs in which they participate to determine whether JRJ benefits influence eligibility or award amount.

38) Should SAAs evaluate the percentage of eligible loans contained in a consolidated loan?

The SAA has a certain degree of discretion in determining an applicant's ability to repay his/her loan. As indicated in the program application guidance, the SAA may (but is not required to) consider other loan obligations in the criteria used to make this assessment, and in doing so, may elect to consider the ratio of eligible loans to an applicant's total loan debt, including consolidated loans.

39) Why is there a difference in the de minimis base amount of funding for some JRJ Administering Agencies to distribute?

To ensure an equitable distribution of funding and optimize the amount of funding utilized to attract and retain qualified prosecutors and public defenders, BJA, in previous non-competitive fiscal years, reduced the de minimis base award amount for states with a population equal to or less than 500,000 persons.

40) What responsibility does the Governor-Designated JRJ Administering Agency have to cooperate with BJA in the administration of JRJ awards?

The Governor Designated JRJ Administering Agency, by accepting this award, agrees to abide by and comport with all requirements, applicable definitions, and conditions of the authorizing statute (42 U.S.C. 3797cc-21) and any related regulations or other guidance promulgated by the Department of Justice including, but not limited to, applicable award special conditions and has a fiduciary responsibility to administer and account for the grant award funds. Furthermore, the Governor-Designated JRJ Administering Agency is under a continuing and ongoing obligation to self-report to BJA any material instances of non-compliance with these programmatic and statutory requirements. Each JRJ agency should complete the JRJ Verification form(s) and JRJ Student Loan Repayment Program Service Agreement on the schedule determined by BJA. Additionally, JRJ Administering Agencies are also required to report in the Justice Enterprise File Sharing (JEFS) system on beneficiaries in an "Exited/Repayment" status on a quarterly basis (January 30th, April 30th, July 30th, and October 30th). For more information, please reference the JRJ Roles and Responsibilities document and John R. Justice (JRJ) Grant Student Loan Repayment Program Quick Reference for Reporting Recipients in Exited/Repayment Status at www.bja.gov/ProgramDetails.aspx?Program_ID=65.

41) What is the process for requesting a waiver of the repayment of JRJ funds for exiting recipients who are within the terms of the JRJ Student Loan Repayment Program Service Agreement?

Waiver requests may be submitted via email at the dedicated mailbox: jriwaiver@usdoj.gov also found at www.bja.gov/ProgramDetails.aspx?Program_ID=65. A copy of your emailed waiver request with all supporting documents should also be mailed to the Centralized Receivables Service (CRS) if/when they make collections outreach to you.

Waiver requests should include:

- i) A sworn statement, made by the recipient (requestor) under penalty of perjury, certifying and attesting to the truthfulness and accuracy of the information provided, in the form of an one (1) page Word document that includes an explanation for the waiver request;
- ii) Attached applicable supporting documentation, including any documentation in support of the waiver request received from the State JRJ Administering Agency.

42) Is a John R. Justice beneficiary eligible to continue receiving JRJ benefits from their state of origin if they attain an eligible position in a different state?

If, after receiving any JRJ benefit, a current John R. Justice (JRJ) beneficiary changes their state of employment that individual will no longer be eligible to continue to receive JRJ benefits from the original award-making state. The original state should deem that individual no longer eligible to receive continued benefits and furthermore classify the individual in an exited/repayment status. Under such circumstances, the individual, if s/he plans to remain employed in an otherwise eligible position as a public defender or public prosecutor (albeit in a different state) for the remaining duration of his/her JRJ Student Loan Repayment Service Agreement, may request a waiver of repayment and/or apply for continued JRJ benefits through the designated agency in the state of their new employment; however, selection for continued JRJ benefits will not be guaranteed by the new state of employment.