June 23, 2009

The Honorable Barbara Mikulski
Chairwoman
Subcommittee on Commerce, Justice, Science and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Richard Shelby
Ranking Member
Subcommittee on Commerce, Justice, Science and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Re: FY 2010 Funding for the Legal Services Corporation

Dear Chairwoman Mikulski and Senator Shelby:

On behalf of the American Bar Association (ABA), which has more than 400,000 members nationwide, I first thank you both for your long-standing commitment to the principal of equal access to the justice system for all Americans. We also appreciated the opportunity to discuss this important issue with many Subcommittee members during our recent “ABA Day in Washington” program.

Soon your Subcommittee will mark up the Commerce, Justice, Science and Related Agencies (CJS) appropriations bill for FY 2010. The ABA thanks Congress for increasing the Legal Services Corporation (LSC) budget to $390 million for FY 2009 and applauds the House of Representatives for increasing LSC funding to $440 for FY 2010 and also for removing the attorneys’ fee restriction. This is a significant step toward providing more adequate funding for a vital program that has been woefully under funded for over two decades.

At the same time, the ABA believes that the recession, which has both squeezed the federal budget and increased the number of Americans in need of legal help, warrants a fresh look at ways that will, without cost to the government, significantly increase the amount of money available to provide legal aid to the poor. In addition to matching the House-approved $50 million funding increase, the ABA strongly urges the Subcommittee to modify three measures that have been included in appropriations riders since 1995 that have impeded LSC in fulfilling its mission of providing basic legal services to qualified persons. Specifically, we request that the Subcommittee eliminate (1) the restriction that prevents recipients of LSC funding from freely utilizing – without being subject to federally imposed restrictions – state, local, private and other non-LSC funds to provide needed legal assistance to poor clients; (2) the restriction that prevents LSC recipient programs from obtaining statutorily permitted attorneys’ fees, as the House did in its version of the CJS bill; and (3) the restriction on class actions. These changes are sure to expand access to justice for low-income families without imposing unjustifiable costs on defendants.

The restriction on use of other non-LSC funds by local legal aid recipients of LSC funding greatly diminishes the ability of LSC-funded programs to raise other funds from state and local governments, charitable foundations and private individuals. The restriction prevents these other funders from giving money to LSC-funded programs because the funds often cannot be used as the donor intends. The restriction has created great inefficiency in the legal aid system across the nation; entirely new and separate
local legal aid programs had to be created to accept non-LSC funds in order to facilitate the donor’s intent. The result has created a situation where hundreds of thousands of dollars in limited resources are squandered on needless duplication.

The restriction barring recovery of statutorily authorized attorneys’ fees further diminishes the scarce resources available to support civil legal aid programs. Perhaps more important, it eliminates a critical source of leverage in many cases, putting legal aid lawyers at a grave disadvantage in attempting to negotiate settlements for their clients.

Both restrictions offend basic principles of federalism. They require independent legal aid programs to act in ways that are contrary to the expressed desires of state and local governments, local individuals and charities and state fee-recovery statutes. While it is understandable that the federal government dictate what can be done with federal funds, it is unacceptable for the federal government to tell local public service programs what they can do with other funds. Furthermore, states have, in their own sovereign wisdom, chosen to permit fee-shifting in certain situations and have therefore structured an appropriate balance between parties operating within their justice systems. Federal interference denies states the right to determine how their justice systems should operate.

The ABA has longstanding policy favoring a legal aid system that does not interfere with poor persons’ full access to the courts or deny advocacy that is available to others in our society. Removal of these two restrictions will be a modest step toward adjusting the legal aid system so that it once again can approach the promise of ensuring equal access to justice for all.

The President’s budget request asks Congress to eliminate these two restrictions and also recommends lifting the restriction on LSC-funded programs using federal funds to file class actions. The ABA strongly believes that class actions should be available to low income victims of unscrupulous practices. Should eliminating this restriction prove controversial, we urge the Subcommittee to consider compromise language that would enable groups of similarly targeted poor people to effectively and efficiently obtain justice in the courts.

In April, the presidents of every State Bar (plus the District of Columbia, the Virgin Islands and Puerto Rico) and the four major Bars of Color wrote the Subcommittee to request at least $435 million for LSC, the amount requested by the President. In addition, in May more than 53 Senators signed a similar letter also supporting at least $435 million for LSC for FY 2010. (Copies of both letters are attached.) The ABA urge the Subcommittee to match the House-approved funding level of $440 million and lift the three restrictions as requested by the President.

We appreciate your support for the funding request, and we look forward to working with you to increase access to justice for all, including ways to address how these three restrictions can be removed from future appropriations bills. Thank you for your consideration.

Sincerely,

H. Thomas Wells, Jr.

cc: Members, Senate CJS Appropriations Subcommittee
April 21, 2009

The Honorable Barbara A. Mikulski
Chairwoman, Subcommittee on
Commerce, Justice and Science
Committee on Appropriations
United States Senate
Washington, D.C. 20510

The Honorable Richard C. Shelby
Ranking Member, Subcommittee on
Commerce, Justice and Science
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Chairwoman Mikulski and Senator Shelby:

As Presidents of State and Territorial Bar Associations and National Bars of Color, we urge your Subcommittee to increase Legal Services Corporation (LSC) funding in the Fiscal Year 2010 Commerce, Justice, Science, and Related Agencies bill. We support the bipartisan effort to close the justice gap in America and respectfully request that Congress provide LSC with at least $435 million for FY 2010.

Thanks to your efforts and strong bipartisan support, Congress provided a much-needed $40 million increase for FY 2009 over the FY 2008 level of $350 million. That increase will help thousands of the most vulnerable Americans get access to critical legal assistance in matters where their home, their safety and their independence are at stake.

This year, we are asking Congress to provide another increase of at least $45 million, from $390 million to $435 million, as the next step toward closing the justice gap and meeting the critical need that exists today because of the rise in foreclosures and unemployment and resulting loss of medical care. Today, 51 million Americans (including 18 million children) qualify for federally funded legal assistance. The 2005 LSC Justice Gap study reported that one in every two individuals who qualified for and actually sought assistance from LSC-funded programs was denied help because of lack of resources. Since 2006, one million more Americans now qualify for legal aid; the justice gap has grown and is likely to continue to grow this year as our country struggles to emerge from the current economic crisis. At the same time demand for help has increased, other major sources of funding for legal aid (including state appropriations, private giving and Interest on Lawyer Trust Account revenues) are declining or under severe stress.

The low-income and disadvantaged Americans who depend on LSC-funded legal aid organizations include people facing wrongful foreclosure of their homes due to predatory lending and other consumer fraud; women and children victimized by domestic violence; veterans denied the benefits our country promised them; and many other vulnerable members of our communities. Whether these people have access to the legal help they need could mean the difference between shelter and homelessness; medical assistance and unnecessary physical suffering; food on a family’s table and hunger; economic stability
and bankruptcy; productive work and unemployment. The failure to resolve their basic legal issues causes even greater hardship for them and often leads to their reliance on other government programs.

LSC currently funds 137 local programs serving every county, state and Congressional District in the United States and its territories. These local programs provide direct services to approximately one million constituents who struggle to get by on incomes below or near the poverty line.

The bipartisan LSC Board requested $485.1 million for FY 2010 in its attempt to close the justice gap over the next several years. Without continued incremental increases in federal funding, many more will be denied assistance in the future. We request your support to increase LSC funding to at least $435 million to help meet this urgent need.

Thank you for your consideration of this request.

Sincerely,

M. Joe Crosthwait, Jr.                              Allen M. Terrell, Jr.                               Barbara D. Bonar
National Conference of Bar Presidents               Delaware State Bar Association                      Kentucky Bar Association
Rodney R. Wegener                                       Ralph P. Albrecht                                      Elizabeth Arny Foor
National Association of Bar Executives               The Bar Association of the District of Columbia    Louisiana State Bar Association
J. Mark White                                             John G. White, III                                        Virginia E. Davis
Alabama State Bar                                       The Florida Bar                                        Maine State Bar Association
Mitchell A. Seaver                                       Jeffrey O. Bramlett                                      Katherine Kelly Howard
Alaska Bar Association                                     State Bar of Georgia                                   Maryland State Bar Association
Edward F. Novak                                           Rai Saint Chu                                           Edward W. McIntyre
State Bar of Arizona                                       Hawaii State Bar Association                           Massachusetts Bar Association
Rosalind M. Mouser                                        Ramona Romero                                         Edward H. Pappas
Arkansas Bar Association                                   Hispanic National Bar Association                     State Bar of Michigan
Andrew T. Hahn, Sr.                                       Dwight E. Baker                                        Michael J. Ford
National Asian Pacific American Bar Association          Idaho State Bar                                      Minnesota State Bar Association
Holly J. Fujie                                             Jack Carey                                             H. Rodger Wilder
The State Bar of California                               Illinois State Bar Association                          The Mississippi Bar
William E. Walters                                       R. William Jonas, Jr.                                      Thomas M. Burke
Colorado Bar Association                                 Indiana State Bar Association                           The Missouri Bar
Livia D. Barndollar                                       Dan A. Moore                                             Chris D. Tweeten
Connecticut Bar Association                               Iowa State Bar Association                             State Bar of Montana
                                                                    Thomas E. Wright                                     Rodney G. Moore
                                                                    Kansas Bar Association                               National Bar Association
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May 12, 2009

The Honorable Barbara Mikulski
Chairwoman, Subcommittee on
Commerce Justice and Science
Committee on Appropriations
United States Senate
Washington, D.C. 20510

The Honorable Richard Shelby
Ranking Member, Subcommittee on
Commerce Justice and Science
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Chairwoman Mikulski and Senator Shelby:

We write in support of an increase in Legal Services Corporation funding to at least $435 million in the Fiscal Year 2010 Commerce, Justice, Science, and Related Agencies Appropriations Act.

Thanks to your efforts and strong bipartisan support, the Omnibus Appropriations Act provided the Corporation with $390 million for FY 2009, a much-needed increase over the FY 2008 level of $350.5 million. Yet this is still far less than the amount appropriated in FY 1995, which would be about $578 million in today’s dollars, and even farther below the amount appropriated in FY 1981--$749 million in today’s dollars.

Therefore, we are requesting the Subcommittee provide a further increase of at least $45 million as the next step toward closing the “justice gap” and meeting the greater need that exists today because of the economic crisis, which has increased the number of foreclosures, the numbers of the unemployed, and the number of individuals and families who now qualify for federally funded legal aid. We understand that the President will also request $435 million for FY 2010, and the bipartisan Board of the Corporation has recommended $485.1 million.

Today, 51 million Americans, including 18 million children, qualify for federally funded legal assistance. The 2005 “Justice Gap” study reported that one in every two individuals who qualified for and sought assistance from LSC-funded programs was denied assistance because of lack of resources. Since 2006, one million more Americans now qualify for legal aid. The justice gap has clearly grown and is likely to continue to grow as our country struggles to emerge from the serious recession. Other major sources of funding for legal aid, including state appropriations, private giving and Interest on Lawyer Trust Account revenues are declining or are under severe stress. Each year, tens of thousands of low-income individuals and families are denied access to justice because of the shortfall in these funds.
The Corporation’s grantees focus on providing basic legal services, in accord with the intent of Congress that these federal funds should be used to resolve day-to-day legal problems of individual low-income clients. The Corporation currently funds 137 local programs serving every state, county, and Congressional District in the United States and its territories. These local programs provide direct services to approximately one million constituents struggling to get by on incomes below or near the poverty line. Beneficiaries include men, women and children, survivors of local and national disasters, the working poor, veterans, family farmers, and persons with disabilities. Their legal problems involve family relationships (including domestic violence and child custody), housing, health care, employment, and other basic needs. Our failure to resolve these issues causes even greater hardship for these persons.

Without continued increases in federal funding, many more of our most vulnerable citizens will be denied assistance in the future. We urge you, therefore, to fund the Legal Services Corporation at no less than $435 million for the coming fiscal year to help meet this critical need.

Thank you for your consideration of our request.

Sincerely,

[Signatures]
Heb Kohl  Dr. Martin Luther King
Amy Klobuchar  Charlie Schmer
Mark Udall  Frank G. Lawler
Daniel K. Akaka  Jim Johnson
Patrick Leahy
Bill Nelson  Tom Udall
Maxine Waters  Bob Sanders
Blanche Lincoln  Marie Cantwell
Patty Murray  Jeffrey A. Merkley