Chairman Shelby, Ranking Member Mikulski, Members of the Subcommittee, thank you for allowing me to submit these remarks today in support of the Legal Services Corporation. I am William C. Hubbard, President of the American Bar Association (ABA) and a partner in the Columbia, SC office of Nelson Mullins Riley and Scarborough LLP. On behalf of the ABA and its over 350,000 members, I am submitting this testimony today to urge the Committee to provide $452 million, the Administration’s budget request, for the Legal Services Corporation (LSC) for Fiscal Year 2016.

First of all, I want to thank the Committee for its leadership in increasing LSC’s budget in the past two fiscal years. I commend your efforts to provide more funding for low-income Americans at a time when the need for legal aid is near an all-time high. However, LSC budget levels are still lower than they were in 2010, and an estimated 50 percent of all eligible people seeking legal aid services are turned away due to lack of resources. In my home state of South Carolina, 24.7 percent of the population is eligible for legal aid. In Alabama, 24.9 percent of the population is eligible, and in Mississippi, the state with the most need, 29.1 percent of people are eligible for civil legal aid.

LSC is the largest provider of civil legal assistance to low-income Americans. LSC grants fund legal aid programs in each of the fifty states, the District of Columbia, and Puerto Rico. The local legal aid programs help people at or below 125 percent of the federal poverty guidelines. LSC grantees assist veterans returning from war, domestic violence victims, seniors, those with disabilities, low-income military families, those struggling with housing matters like foreclosures and evictions, people coping with the after-effects of natural disasters, and families dealing with child custody issues.

The most recent data from the U.S. Census Bureau shows that 63.6 million Americans qualified for civil legal assistance in 2013. Civil legal aid is an example of constituent services performed in every state and every congressional district in the country. When people are unable to resolve
their civil legal matters, they are more likely to require other forms of publicly-funded assistance. Therefore, funding LSC is a necessary investment that provides long-term benefits for Americans.

The most frequent cases for LSC grantees involve family law issues; more than a third of all cases closed by the grantees deal with some type of family law matter. LSC grantees assist victims of domestic violence with protective and restraining orders, help parents obtain and retain custody of their children, assist family members in acquiring guardianship for children without parents, and provide other family law legal counseling.

LSC grantees also assist returning military veterans and their families. Veterans who served in combat zones often face serious legal problems upon returning to civilian life. Issues such as child custody, employment, and homelessness commonly arise. An unusually large number of people have served our nation in the prolonged military conflicts over the past 10 years, and have returned to often confront serious legal issues. Over 1.6 million U.S. troops have served in Iraq and Afghanistan since 2001. As these servicemembers continue to transition from active-duty to veteran status, they encounter myriad civil legal issues incidental to their service in the areas of employment, consumer, and family law, among others. Many veterans also need assistance recovering Veterans Administration benefits for service-related injuries; these cases are often complicated and time-consuming, often taking months or years for our veterans to receive their needed and earned benefits.

Housing matters account for the second-largest percentage of LSC grantees’ total caseload (26 percent). This includes landlord-tenant disputes, prevention of foreclosures, renegotiation of home loans and mortgages, and assistance to renters whose landlords are undergoing foreclosures. For example, the state of Maryland has one of the highest foreclosure rates in the country, and housing matters alone account for 36 percent of the state LSC grantee’s total caseload. In 2013, LSC grantees helped more than 500,000 people with housing issues across the country.

Another area in which LSC programs provide assistance is disaster relief. When natural or national disasters occur, LSC grantees assist with many different issues, including identity verification, housing matters, and family law issues. Families of victims of the September 11th attacks, flood victims, and hurricane evacuees are all examples of those who have received assistance from LSC-funded programs. Natural disasters have occurred with surprising frequency, throwing thousands into poverty and creating legal problems of unprecedented scope. Each disaster places new, unplanned burdens on already-overextended legal aid programs.

Oftentimes, those living in rural areas have difficulty obtaining needed legal assistance. LSC grantees are sometimes the only means by which low-income citizens living in more remote areas can receive legal aid. Mr. Chairman, in your home state of Alabama, Legal Services Alabama has identified the areas with the largest gaps in legal services and is working to ensure those areas have a means of accessing legal aid. In 46 of Alabama’s 67 counties, more than 50 percent of the population lives in rural areas, making legal aid more difficult to obtain.
Robust funding for LSC is desperately needed because other funding sources have diminished due to the country’s economic downturn, and pro bono efforts, while critical, are insufficient to completely replace federal legal aid funding. Federal funding available through LSC provides the foundation for the nation’s civil legal aid delivery system, and LSC funding catalyzes the development of additional, funding sources. The additional funding provided to LSC over the past two fiscal years has allowed many states to assist more people. In Alabama, the additional funding prevented the closure of the Anniston office; in Maryland, the program was able to open an office in Montgomery County and expand the statewide Self-Help Center.

Most states now provide government funding for legal aid programs; however, as a result of the recession, state appropriations and legislatively approved court fees and fines supporting legal aid have declined in many states. Revenue from Interest on Lawyers’ Trust Accounts (IOLTAs) has also decreased 79 percent nationally in the past eight years, causing grants for legal aid programs to diminish by 68 percent. While some legal aid programs had reserves set aside to account for cyclical variations in funding, the length of the recession combined with continuing low interest rates has caused the vast majority of programs to deplete their reserves.

Although pro bono is definitely a helpful source in providing legal aid to low-income Americans, pro bono cannot replace robust LSC funding. Private lawyers join in a public-private partnership to provide legal assistance to the poor by providing thousands of hours of pro bono service each year in communities across the nation. However, LSC funding provides the infrastructure and framework through which most pro bono services are delivered. Without adequate funding for LSC that can be used to provide this framework, the justice gap would be further exacerbated.

The American Bar Association has supported the effort to provide legal services to the poor since the establishment of the Standing Committee on Legal Aid and Indigent Defendants in 1920. Supreme Court Justice Lewis F. Powell, while serving as ABA President in 1964, called for a major expansion of the nation’s legal services for the poor, and the ABA worked closely with many others to achieve this goal, resulting in the creation of the Legal Services Corporation in 1974. No matter what number your Committee chooses, the need for legal aid far exceeds the resources currently available. Therefore, we encourage you, while still considering the fiscal and budgetary issues the country faces, to fund LSC at $452 million to counter the growing need for civil legal assistance for low-income Americans.