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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. list	re: Legal Services Board of Directors (1 page)	04/16/1999	b(6)
002. memo	Bob Nash to Larry Stein re: non-selection (1 page)	04/14/1999	b(6)
003. letter	Mike DeWine to the White House re: constituent's nomination (1 page)	04/06/1999	b(6)
004. profile	re: non-selection (1 page)	03/26/1999	b(6)
005a. memo	Bob J. Nash to Chuck Ruff re: Board of Directors Legal Services Corporation (1 page)	05/04/1999	b(6)
005b. articles	re: non-selection (7 pages)	06/22/1998	b(6)
005c. memo	Stacy Reynolds to Dorian V. Weaver re: Issue Vet (2 pages)	07/20/1998	b(6)
006. letter	Pamela Gwin to Hillary Rodham Clinton (1 page)	07/17/1999	b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Melanne Verveer
OA/Box Number: 20040

FOLDER TITLE:

Legal Services

2013-0534-S
rc1665

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

file Legal Services

UNITED STATES COURT OF APPEALS
DISTRICT OF COLUMBIA CIRCUIT
UNITED STATES COURTHOUSE
CONSTITUTION AVE. & THIRD ST. N.W.
WASHINGTON, DC 20001-2866

ABNER J. MIKVA
CHIEF JUDGE

(202) 273-0375

November 8, 1993

Ms. Melanne Verveer
Deputy Assistant to the President
The White House
Washington, D.C.

Dear Melanne,

Thank you for letting me pinch hit for Justice Brennan. It was a real treat for me, and reminded me again what a difference an election can make in this country. None of the Presidents --or their first ladies--would have even thought of showing up at a swearing-in of the Legal Services Corporation Board. I think the "high" should last me through several weeks of reading and listening to the media beat up on the Administration.

You are a very nice friend. Give my best to Phil. Hope we can get together some time soon.

Kindest personal regards,

Ab

Abner J. Mikva
Chief Judge

file Legal Services

JOHN T. BRODERICK JR.
43 HIGHCREST ROAD
MANCHESTER, NEW HAMPSHIRE 03104

7/30/99

Dear Melanne,

Many thanks for all your time and effort on behalf of LSC. The anniversary celebration was exceptional and I know would not have happened without your input. The President, First Lady and Attorney General provided a much-needed shot-in-the-arm for everyone.

Your schedule for the next year sounds extraordinary. I, for one, believe the First Lady will win her Senate race. She is fortunate to be surrounded by friends as dedicated and loyal as you.

Again, thank-you. Sincerely,

John.

Congressional Committees and LSC

Appropriations Subcommittees on Commerce, Justice, State and Judiciary

House: Republicans: Rogers (KY), Chair; Kolbe (AZ); Taylor (NC); Regula (OH); Forbes (NY); Latham (IA)
Democrats: Mollohan (WV); Skaggs (CO); Dixon (IL)

Senate: Republicans: Gregg (NH), Chair; Stevens (AZ); Domenici (NM); McConnell (KY); Hutchison (TX); Campbell (CO)
Democrats: **Not confirmed yet (last session's members):** Hollings (SC); Inouye (HI); Bumpers (AR); Lautenberg (NJ); Kerrey (NE) (not on full committee)

Authorizing Committees

Senate: Labor and Human Resources

James M. Jeffords (R-VT) chairman

Republicans:	Democrats:
Daniel R. Coats (R-IN)	Edward M. Kennedy (D-MA)
Judd Gregg (R-NH)	Christopher J. Dodd (D-CT)
Bill Frist (R-TN)	Tom Harkin (D-IA)
Mike DeWine (R-OH)	Barbara A. Mikulski (D-MD)
Mike Enzi (R-WY)	Jeff Bingaman (D-NM)
Tim Hutchinson (R-AR)	Paul Wellstone (D-MN)
Susan Collins (R-ME)	Patty Murray (D-WA)
John W. Warner (R-VA)	Jack Reed (D-RI)
Mitch McConnell (R-KY)	

House: Judiciary Subcommittee on Commercial and Administrative Law

George W. Gekas (R-PA) chairman

Republicans:	Democrats:
Lamar Smith (R-TX)	Jerrold Nadler (D-NY)
Steven H. Schiff (R-NM)	Sheila Jackson-Lee (D-TX)
Bob Inglis (R-SC)	Martin T. Meehan (D-MA)
Ed Bryant (R-TN)	William D. Delahunt (D-MA)
Steve Chabot (R-OH)	

VAL VERDE COUNTY, TEXAS -- VOTING RIGHTS CASE

CHARGE: Members of Congress from the Texas delegation and the Texas Republican Party have accused Texas Rural Legal Aid (TRLA) of improperly using Legal Services Corporation (LSC) funds to conduct "a partisan political attack on the right of military personnel to vote" in a lawsuit brought to invalidate the results of a local election in Texas.

FACTS: Despite these unfounded accusations, the lawsuit, Jovita Casarez v. Val Verde County, filed on December 20, 1996, in the U.S. District Court for the Western District of Texas, does not have any partisan political purpose and does not constitute illegal political activity under the LSC Act and regulations. Rather, this case seeks to enforce the fundamental civil rights of the plaintiff under the Voting Rights Act of 1965. Moreover, the suit does not challenge the right of military personnel currently stationed at Laughlin Air Force Base or *bona fide* residents of Val Verde County to vote in local elections, nor does it attack the right of military voters who are not local residents to vote in federal elections when they are eligible to do so.

The suit challenges the use of Federal Post Card Application (FPCA) procedures to allow hundreds of military personnel who are no longer stationed at Laughlin, who have no current connection to Val Verde County, who have not resided in the county for many years and who, in some cases, are registered to vote in other jurisdictions, to vote in local county elections. The suit alleges that absentee ballots improperly cast by these non-residents overwhelmed the ballots cast by Hispanic residents, violating the Voting Rights Act and the U.S. Constitution.

- The plaintiff in the case, Ms. Jovita Casarez, is a low-income voter in Val Verde County who sought assistance from TRLA to protect the integrity of the voting process after the Hispanic candidates for County Commissioner and Sheriff received substantial majorities among votes cast on or before election day in November, 1996, but were defeated by Anglo candidates after hundreds of absentee ballots, cast by military personnel who were formerly stationed at Laughlin, were counted.

- Ms. Casarez's lawsuit seeks to invalidate the results of the local election and to order the county to hold a new election for the two offices, requiring those requesting absentee ballots through the FPCA process to establish residency, as required under Texas law, in order to be eligible to vote in local elections. The lawsuit does not challenge the right of those requesting absentee ballots to vote in Federal elections.

- The FPCA process was designed to provide a means for military personnel, their spouses and dependents, and Americans living abroad to vote in Federal elections for President, Senate and House; it was not intended to permit anyone who is not a *bona fide* resident of a jurisdiction to vote in state or local elections.

- Approximately 800 absentee ballots were cast by non-resident military personnel who were briefly stationed at Laughlin at some time in the past, but were transferred and now serve elsewhere in the U.S. or abroad. Most of the absentee ballots were cast by individuals who have not resided in Val Verde County anytime during the last six years; at least 150 have not resided in the county anytime during the last ten years; some of those who voted have been away for as long as 25 years; over 100 ballots were cast by individuals who are registered to vote in another state or another county in Texas. None of these individuals can claim to be *bona fide* residents of Val Verde County for purposes of participation in local elections.

- The population of Val Verde County is 70% Mexican-American, but 95% of those who cast FPCA absentee ballots were Anglo. In the precinct where Laughlin is located, FPCA absentee ballots equaled the number of in-person ballots cast on or before election day. The lawsuit alleges that the addition of 800 ballots cast in local elections by non-registered, non-resident, Anglo voters with no current ties to the county improperly and substantially diluted the votes of Ms. Casarez and other Hispanic voters and made it more difficult, and in this specific election, impossible to elect representatives of their choice in violation of the Voting Rights Act and the 14th Amendment to the Constitution.

In undertaking representation in the Casarez case, TRLA complied with the LSC Act, regulations and Appropriations Act restrictions:

- Both the LSC Act and regulations make it clear that the prohibitions on political activity by legal services attorneys do not restrict those attorneys from providing legal assistance to eligible clients; in fact, LSC regulations specifically permit programs to bring cases under the Voting Rights Act of 1965, so long as the cases do not involve redistricting.

- The political activities that are prohibited by the LSC Act and regulations are those that are covered by the Federal Hatch Act (e.g., being a candidate for partisan political office, using official authority or influence to interfere with an election or nomination, coercing contributions from subordinates for a political party or candidate), campaigning for political candidates while engaged in legal assistance activities, as well as voter registration activity and providing voters with transportation to the polls or similar assistance in connection with an election. Providing legal assistance to protect the statutory and constitutional rights of low-income clients is not political activity.

- When Ms. Casarez sought legal assistance, TRLA complied with all applicable LSC Act, Appropriations Act and regulatory requirements before filing suit: it found that private representation was unavailable to handle the case; it determined that Ms. Casarez was financially eligible for LSC-funded legal assistance and that the case fell within TRLA's board-adopted priorities, which specifically include voting rights cases; it obtained a signed statement of facts from Ms. Casarez.

Despite the mischaracterization by Senators Hutchinson and Gramm, Representative Bonilla and the Texas Republican Party:

- This lawsuit is not about partisan politics; it is about the misuse of the FPCA process to undermine and subvert the will of the *bona fide* residents of Val Verde County.

- It is not about denying the right of military personnel to exercise their right to vote in federal elections or, if they are *bona fide* residents, in local elections; it is about denying the right of the majority of the residents of Val Verde County to elect representatives of their choice.

- It is not about using the legal process to elect Democrats; it is about misusing federal law to subvert the local election process and improperly influence the outcome of local elections, regardless of party affiliation of the winners or losers.

CASE SEEKS TO PERMIT USE OF NON-FEDERAL FUNDS TO ENSURE ACCESS TO OUR CIVIL JUSTICE SYSTEM FOR LOW INCOME AMERICANS

Background: Five legal services programs from Hawaii, California and Alaska, along with two private donors, staff attorneys and a client organization, have sued the Legal Services Corporation (LSC) to remove unconstitutional restrictions on the representation of low-income Americans with funds provided by non-LSC sources, such as states, municipalities, bar associations, charitable foundations and private donors. In 1996, Congress imposed new restrictions preventing recipients of LSC funds from using non-LSC funds to engage in certain types of advocacy or to represent particular client groups.[1] Non-LSC funds are a major resource for all five programs (as well as for many other legal services programs throughout the country). The public and private donors have provided funds in the past to enable legal services programs to engage in one or more activities that are now restricted.

Legal Aid Society of Hawaii, et al v. Legal Services Corporation, filed on January 9, 1997 in the United States District Court in Hawaii, contends that the restrictions on non-LSC funds (1) interfere with the right of low-income Americans to obtain counsel of their choice and access to the courts without undue governmental interference and (2) violate the First Amendment rights of the legal services programs and their lawyers, clients and donors, to use non-LSC funds to associate for the purpose of petitioning the government for redress of grievances. According to the plaintiffs, these unique restrictions violate a long-established constitutional principle that governments cannot grant a benefit predicated on the condition that the recipients relinquish their constitutional rights.

- **The legal challenge focuses on the constraints against using non-LSC funds for client representation.**

  State and local governments and other public funding agencies that want to expand access to the judicial system to low-income Americans should be able to decide the purposes for which their own funds will be used and to choose the organizations that can best carry out those purposes. For example, state governments have funded legal services programs to provide representation of low-income clients before state administrative rulemaking bodies to ensure that the regulations adopted take account of the needs and legal interests of poor people.

  Bar associations, charitable foundations, United Way agencies and other private donors also should be able to determine how their own funds will be used to help low-income Americans achieve equal justice and to select the institutions that can best carry out those purposes. For example, private foundations have funded legal services providers to represent immigrants who could not be represented with LSC funds.

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[1] Restricted activities include, among others, representation of certain immigrants and prisoners, class action suits, welfare reform advocacy, legislative lobbying and administrative rulemaking.

- **The lawsuit does not question the power of Congress to restrict the funds it appropriates.**

  Congress is free to impose restrictions on LSC funds and to take appropriate steps to establish systems to ensure that LSC-funded program components do not engage in activities that Congress does not want to fund.

- **Detailed timekeeping requirements and strict federal cost accounting principles ensure that LSC funds are not used inappropriately to supplement activities that Congress does not want to fund.**

  Since May of 1996, all attorneys and paralegals who work for LSC-funded recipients must use detailed timekeeping for all cases and matters. Such recipients must also use strict Federal cost accounting that segregates LSC and non-LSC funds and ensures that LSC funds are not used to pay the overhead for restricted activities.

- **The five plaintiff legal services programs are complying with the new restrictions and will continue to do so until this case is decided.**

  These legal services programs are complying with all of the restrictions they are challenging. Moreover, they have fully complied with the Congressional requirements that they withdraw from pending class actions and other restricted cases (such as those involving prisoners and certain aliens.)

- **The five legal services programs are acting responsibly in seeking court review of these restrictions.**

  Under our system of Government, it is the courts that decide whether laws are unconstitutional. These five programs, many responsible leaders in the legal community and many members of Congress who have examined the question believe that Congress cannot totally prohibit legal services programs from using non-LSC funds to represent certain low-income clients or to engage in certain representational activities. Instead of violating the restrictions, these five programs have challenged the restrictions in court. As Rep. Howard L. Berman said, they acted responsibly by "taking this on in the right kind of way."

- **Restrictions on non-LSC funds discourage creative public-private partnerships which can provide more and better services to the poor.**

  Congress should encourage, rather than discourage, the creation of additional funding sources for civil legal services and federal-state cooperation to ensure the effective and efficient use of resources. These restrictions will stimulate wasteful duplication of programs as private and public funders are forced to put their resources elsewhere in order to accomplish their purposes.

96 MAY 7 A8:33

Douglas S. Eakeley

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May 3, 1996

By facsimile and regular mail

Hon. Bill Clinton
President
The United States of America
The White House
Washington, DC 20500-2000

Dear Mr. President:

Re: <u>Legal Services Corporation</u>

I write to express my keen disappointment with the final FY 1996 appropriation for the Legal Services Corporation. Not only did we sustain a one-third cut in our appropriation, from $415 million (pre-rescission) to $278 million: that reduction was accompanied by a host of onerous new restrictions which impair local programs' ability to represent their clients effectively, while causing other funding sources to dry up. As the New York Times put it in its recent editorial, LSC is the chief "loser" in this year's appropriation process.

But my concern goes beyond the outcome of last week's negotiations. We are now on what the House leadership calls the "glide plan" to total elimination of the Legal Services Corporation, and anticipate another 50% cut for FY '97 pursuant to the Budget Resolution to zero out LSC by FY 1998. Our failure to move away from that "glide plan" in the negotiations (much less to secure the $340 million that the Senate had voted to appropriate) has sent an unfortunate message to friend and foe alike, discouraging the former and encouraging the latter.

May 3, 1996

We need to discuss this dire situation. I will be in Washington from Sunday, May 19th through Wednesday, May 22nd. Can you squeeze me into your schedule, sometime, somehow?

Yours truly,

Doug Eakeley

Douglas S. Eakeley

DSE:cw
Ms. Nancy Hernreich

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

August 1, 1996

The Honorable Mark O. Hatfield
Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

The purpose of this letter is to provide the Administration's views on H.R. 3814, the Departments of Commerce, Justice, State, the Judiciary, and Related Agencies Appropriations Bill, FY 1997, as reported by the Senate Subcommittee. As the Senate develops its version of the bill, your consideration of the Administration's views would be appreciated. Because this letter is based on incomplete information, these views are, necessarily, preliminary.

The Administration strongly objects to the Subcommittee's reductions to critical law enforcement, research and technology, international affairs, legal services, and other programs. Such reductions are unacceptable, and the bill requires significant improvements. The Administration has previously communicated its strong objection to the overall discretionary funding levels assumed in the House- and Senate-passed Budget Resolutions. The House allocation is $2.1 billion below the President's request, and the Senate allocation is $2.8 billion below the request.

For the reasons discussed below, the President's senior advisers would recommend that the President veto the bill if it were presented to him in its current form.

Department of Commerce

The Administration understands that the Subcommittee would reduce funding for the Department of Commerce by almost $700 million below the request. These reductions would significantly undermine the effectiveness of programs across the Department and, during a time of increasingly fierce global competition, would be particularly harmful to civilian science and technology programs.

Funding for the Advanced Technology Program (ATP) in both the House-passed bill and the Senate Subcommittee bill is inadequate. The Subcommittee would provide insufficient funding to support current commitments and would not allow for new awards. As a result, the Federal Government would be forced to abrogate commitments on the majority of awards made in prior years involving over 260 innovative companies. ATP is a highly competitive, cost-shared program that fosters technology development, promotes industrial alliances, and creates jobs. The ATP program was created with bipartisan support, which it continues to deserve. While neither the bill nor report language has been made available yet, the Administration understands that restrictive language included in the House bill for the ATP prohibiting new awards and limiting continuation grants to small businesses has been deleted. The Administration appreciates this improvement over the House bill. The Administration understands that the Subcommittee has included language limiting the use of funds to continuation grants only, thus prohibiting new awards. This is unacceptable.

The Subcommittee has eliminated all funding for the highly competitive National Information Infrastructure (NII) grants program. The NII program assists hospitals, schools, libraries, and local governments in procuring advanced communications equipment to provide better health care, education, and local government services. The President's requested program would fund approximately 200 innovative telecommunication application projects that would leverage additional matching funds of over $100 million. This program has been valuable in promoting the widespread use of advanced communications. The program has a 1-to-15 grants-to-applications ratio, which is one of the highest of any Federal technology grant program. The Senate is urged to restore funding to this important program.

While the Administration appreciates inclusion of funding for the U.S.-Israel Science and Technology Commission, the Subcommittee's funding level for base activities of the Technology Administration is inadequate to provide effective advocacy on behalf of U.S. industry. No funding has been provided for construction of new laboratory facilities at the National Institute of Standards and Technology, which are essential to providing precision measurements necessary for U.S. industry to compete in the 21st century.

While we appreciate the Subcommittee's $12 million increase over the House mark for the Census Bureau, the amount is still $50 million less than the request. The Subcommittee funding level would impair the ability of the Census Bureau to carry out its constitutional and statutory functions, such as the decennial census, economic census, census of governments, and the effort to bring the Nation's statistics into the 1990s. In addition, the Subcommittee directs that funds not be used to test sampling. This is unacceptable. It would reduce the accuracy of Census 2000 and increase its cost by $500 million.

The Administration also believes that the Subcommittee has provided inadequate funding for the Patent and Trademark Office, the Economic Development Administration, the Bureau of Export Administration, and the Minority Business Development Agency.

The Administration appreciates the overall funding level for NOAA and, in particular, the inclusion of funding for key environmental initiatives such as protected species management, global change research, the South Florida Restoration initiative, and the Global Learning and Observations to Benefit the Environment (GLOBE) program.

The Administration is concerned by reductions for the Advanced Weather Interactive Processing System (AWIPS) and mapping, charting, and geodesy efforts. The Administration is concerned about the provision of over $50 million in funding above the President's request for Member projects. The Administration understands that the Subcommittee bill does not include requested language streamlining the certification process related to modernizing the National Weather Service. This language is essential to accelerating the benefits of modernization, which leads to lives and property saved.

Department of Justice

The Administration strongly opposes the funding level provided by the Subcommittee for the Community Oriented Policing Services (COPS) program. The Subcommittee mark would provide $1.4 billion for COPS but would earmark over $80 million for non-hiring initiatives. The Administration continues to believe that the President's request of $1.9 billion is the appropriate funding level for the COPS program. The Administration does not believe that the Subcommittee bill keeps us on course for hiring 100,000 additional police officers by the year 2000. The Conference Report accompanying P.L. 104-134, the FY 1996 Omnibus Consolidated Rescissions and Appropriations Act, indicated that a level of approximately $1.4 billion would be required to meet the goal of hiring 100,000 police officers. While an improvement relative to the House bill, the set-asides included in the Subcommittee bill could result in inadequate funding for hiring police officers.

The Administration strongly opposes the Subcommittee's $20 million funding level for the drug courts program. The drug courts program is a proven, cost-effective means of using the courts' authority to provide sanctions and coerce non-violent offenders into drug treatment programs. The Administration believes that the drug courts program should be funded at the $100 million level requested.

While the Administration appreciates the Subcommittee's support in providing $42 million for the drug testing initiative, we object to these funds being taken from the COPS program and request that they be provided directly.

The Administration is very concerned that the Subcommittee bill appears to underfund certain authorized discretionary programs and use mandatory funds for certain unauthorized discretionary activities. The bill directs the Department of Justice to use INS exams fees and user fees, which are classified as mandatory, for a variety of activities that are not authorized. The bill would underfund the Executive Office of Immigration Review, which would not allow it to keep up with the increase in cases stemming from enhanced border patrol and immigration enforcement efforts.

The Subcommittee bill would also underfund law enforcement programs, including the FBI, U.S. Marshals, U.S. Attorneys, and the Interagency Crime and Drug Enforcement, by over $200 million. The bill does not include the $100 million requested to implement the Communications Assistance for Law Enforcement Act (CALEA), which is essential to ensure the ability of conducting court ordered wire taps. The bill would underfund the legislative and public affairs offices throughout the Department and unnecessarily restrict the use of detailees.

Combating Terrorism

The Administration appreciates the Subcommittee's efforts to provide funding and additional authority to enhance the Government's ability to respond to terrorism. While we have not had the opportunity to review the proposed additional authorities, we welcome the opportunity to work with the Congress to enact additional tools to combat terrorism.

Legal Services Corporation

The Administration commends the Subcommittee for increasing the funding level for the Legal Services Corporation (LSC). However, while $288 million is $10 million over the FY 1996 level, we continue to strongly urge the Committee to provide the full request of $340 million, which is needed to carry out LSC's mission to provide the Nation's poor with access to the judicial system.

The Administration understands that the Subcommittee bill contains many restrictions on the activities of LSC grantees that were contained in the FY 1996 appropriations act. The Administration continues to have serious concerns with these restrictions, particularly those on the use of funds from non-LSC sources.

International Affairs

The Subcommittee has reduced a number of international affairs programs that serve important U.S. interests. In particular, Contributions to International Organizations and

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 30, 1996

The Honorable Mark O. Hatfield
Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

The purpose of this letter is to provide the Administration's views on H.R. 3814, the Departments of Commerce, Justice, State, the Judiciary, and Related Agencies Appropriations Bill, FY 1997, as passed by the House. As the Senate develops its version of the bill, your consideration of the Administration's views would be appreciated. For the reasons discussed below, the President's senior advisers would recommend that the President veto the bill if it were presented to him in its current form.

The Administration strongly objects to the House's reductions to critical law enforcement, research and technology, international affairs, legal services, and other programs. Such reductions are unacceptable, and the bill requires significant improvements. The Administration has previously communicated its strong objection to the overall discretionary funding levels assumed in the House- and Senate-passed Budget Resolutions. It is noted that the House allocation is $2.1 billion below the President's request and the Senate allocation is $2.8 billion below his request.

The Administration also strongly opposes the provision included in the House bill, discussed in more detail below, that would limit the President's ability to negotiate issues and implement agreements related to the ABM Treaty that are important to the national security of the United States. This provision would infringe upon the President's ability to conduct foreign relations and is unacceptable.

Legal Services Corporation

While the House floor vote to restore $109 million to the Legal Services Corporation (LSC) recognizes the inadequacy of the Committee funding level, the Administration strongly objects to the House-passed funding level of $250 million. The House-passed level is $90 million below the President's request of $340 million and $28 million lower than the FY 1996 enacted level. Such a reduction in funding would deprive LSC of resources it needs to carry out its mission, further reducing the already limited access of the nation's poor to the judicial system.

In addition, the House bill would reduce funding for LSC's management and administration by 25 percent, from $7.1 million in FY 1996 to $5.3 million in FY 1997. At this funding level, LSC would be forced to reduce its staff to approximately 20 employees, down from 96 in FY 1995. With a staff of this size, the Corporation would not be able to carry out its statutory responsibilities, including monitoring compliance, evaluating program quality, and maintaining a competitive grant system, in any meaningful way.

Finally, the bill contains many restrictions on the activities of LSC grantees that were contained in the FY 1996 appropriations act. The Administration continues to have serious concerns with these restrictions, particularly those on the use of funds from non-LSC sources.

Department of Commerce

The House cuts funding for the Department of Commerce by almost $800 million below the request and $160 million below the FY 1996 level. These reductions would significantly undermine the effectiveness of programs across the Department.

The Administration urges the Senate to support civilian science and technology programs that work to expand our economy during a time of increasingly fierce global competition. Civilian science and technology faired poorly in the House-passed bill. The Administration has serious concerns, described below as well as in the enclosure, about the amounts provided by the House for the advanced technology and manufacturing extension programs.

The House has chosen to disregard the bipartisan agreement reached last year to maintain the Advanced Technology Program (ATP) and allow new award competitions. The House bill would provide inadequate funding to support current commitments and would restrict the use of funds for continuation grants to small businesses only. This language would also prevent payment of continuation grants for the 1996 competition permitted by the 1996 agreement. As a result, the Federal Government would be forced to abrogate commitments on 68 awards made in prior years involving 262 companies, totaling $350 million in Federal investment and $421 million in private matching funds. The House has included language prohibiting new awards and calling for the shutdown of the program. This is unacceptable to the Administration. ATP is a highly competitive, cost-shared program that fosters technology development, promotes industrial alliances, and creates jobs. The ATP program was created with bipartisan support, which it continues to deserve.

The House funding level for the Manufacturing Extension Partnership Program would reduce critical support activities, such as field engineer training, program evaluation, and

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 16, 1996
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

DEPARTMENTS OF COMMERCE, JUSTICE, STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL, FY 1997

(Sponsors: Livingston (R), Louisiana; Rogers (R), Kentucky)

This Statement of Administration Policy provides the Administration's views on the Departments of Commerce, Justice, State, the Judiciary, and Related Agencies Appropriations Bill, FY 1997, as reported by the House Appropriations Committee. For the reasons discussed below, the President's senior advisers would recommend that the President veto the bill if it were presented to him in its current form.

The Administration strongly objects to the Committee's reductions to critical law enforcement, research and technology, international affairs, legal services, and other programs. Such reductions are unacceptable, and the bill requires significant improvements.

The Administration opposes the provision, discussed in more detail below, included in the bill that would limit the President's ability to negotiate issues and implement agreements related to the ABM Treaty that are important to the national security of the United States. This provision would infringe upon the President's ability to conduct foreign relations and is unacceptable.

Legal Services Corporation

The Administration strongly objects to the Committee's funding level of $141 million for the Legal Services Corporation (LSC). The bill would cut the Corporation's funding level by roughly 50 percent from last year's level of $278 million and is almost two-thirds below the FY 1995 level. It would provide approximately $200 million less than the President's request of $340 million. Further reductions in funding would deprive LSC of the resources it needs to carry out its mission, essentially bankrupting the Corporation and denying the neediest members of our society access to the Nation's judicial system.

In addition, the Administration notes that the bill contains many restrictions on the activities of LSC grantees that were contained in the FY 1996 appropriations act. The Administration continues to have serious concerns with these restrictions, particularly the restrictions on the use of funds from non-LSC sources.

Department of Commerce

The Committee cuts funding for the Department of Commerce by $800 million below the request and $100 million below the FY 1996 level. These reductions would significantly undermine the effectiveness of programs across the Department. The Administration has grave concerns about the amounts provided for advanced technology and manufacturing extension, described below, as well as additional concerns about the Committee's proposed funding levels for other programs, described in the enclosure.

The Committee bill disregards the bipartisan agreement reached last year to maintain the Advanced Technology Program (ATP). The Committee provides inadequate funding to support current commitments and includes language prohibiting new awards as well as applying other restrictions. ATP is a highly competitive, cost-shared program that fosters technology development, promotes industrial alliances, and creates jobs. The ATP program was created with bipartisan support, which it continues to deserve.

The Committee's funding level for the Manufacturing Extension Partnership Program would force the closure of several centers across the country. Large geographic areas and many of our Nation's 381,000 smaller manufacturers would be without access to valuable technical assistance. The Department of Commerce estimates that this assistance has produced over $1 billion in increased sales and cost reductions and over 13,000 jobs. In addition, the Committee has not provided language that would allow Kansas and Michigan centers, which serve five States, to receive funding beyond the current six-year statutory limit.

The Administration is concerned about the lack of support for key environmental programs. The President's request includes increases for South Florida/Everglades Restoration, coastal pollution control, habitat conservation, global change monitoring and modeling, and the Global Learning and Observations to Benefit the Environment (GLOBE) program, none of which are funded by the Committee. In addition, the Committee has cut funding below the FY 1996 enacted level for ocean assessment programs (42-percent reduction), marine sanctuary management (15-percent reduction), endangered species recovery plans (46-percent reduction), and building sustainable fisheries. These actions would undermine NOAA's ability to manage and protect our Nation's ocean and coastal resources. Finally, the Administration supports the use of controlled access mechanisms in sustainable fisheries management and is concerned with the bill's proposed restrictions on such mechanisms.

While the Committee has provided additional resources to the Census Bureau, the amount provided is less than half of the requested increase. This reduction would seriously impair the ability of the Census Bureau to carry out its constitutional and statutory functions, such as the decennial census, the economic census, the census of governments, and efforts to bring the Nation's statistics into the 1990s. The Census Bureau would be forced to choose between equally critical demographic and economic measurement programs that would lead to a more expensive or less accurate Census and to less accurate economic statistics such as the GDP.

Failure to provide increases would jeopardize efforts to implement the restructuring of the North American Industry Classification System, which has already been funded by Mexico and Canada.

Department of Justice

The Administration strongly opposes the funding level provided by the Committee for the Community Oriented Policing Services (COPS) program. The Committee mark would provide $1.4 billion for COPS but would earmark over $150 million for non-hiring initiatives. The Administration continues to believe that the President's request of $1.9 billion is the appropriate funding level for the COPS program. The Administration does not believe that the Committee bill keeps us on course for hiring 100,000 additional police officers by the year 2000. Even the Committee's own Conference Report accompanying the FY 1996 Omnibus Appropriations Act indicated that a level of approximately $1.4 billion would be required to meet the goal of hiring 100,000 police officers. The extensive set-asides included in the Committee bill would result in inadequate funding for hiring police officers. Further, the bill would freeze staffing levels at the FY 1996 level and not provide for the requested increase in management and administration in order to monitor this important program properly.

The Administration strongly opposes the Committee's $18 million funding level for the drug courts program. The drug courts program is a proven, cost-effective means of using the courts' authority to provide sanctions and coerce non-violent offenders into drug treatment programs. The Administration believes that the drug courts program should be funded at the $100 million level requested. The Administration also strongly opposes the Committee's termination and underfunding of the Administration's initiative to finance drug tests for Federal and State arrestees, respectively.

Both the COPS and the drug courts programs could be enhanced by reducing the funding level for the Local Law Enforcement Block Grant program and the increase over the President's request for Federal prison construction.

International Affairs

The Administration strongly opposes the provision included by the Committee that would infringe upon the ability of the Administration to negotiate issues related to the ABM Treaty with Russia and the other New Independent States of the former Soviet Union. The provision would prohibit the use of any funds in this or any other Act for ABM treaty negotiations with the Russians or other States of the former Soviet Union unless the President certifies that any amendments, understandings, or agreements related to the ABM and theater ballistic missiles and anti-ballistic missiles will be presented to the Senate for their advice and consent. This prohibition would also apply to the use of funds to implement any amendment, agreement, or understanding related to ABM theater missile defense demarcation or multilateralization of the Treaty. The Administration believes that this provision raises serious constitutional concerns.

The Constitution commits to the President the authority to determine the manner in which diplomatic communications take place. Congress may not control, through a funding condition, the President's determination to conduct negotiations in a particular forum.

With regard to funding, the Administration opposes the levels provided by the Committee for the State Department's main operating accounts. In total, these activities are reduced by nearly $80 million from the President's request. The State Department's ability to modernize its antiquated information management systems and to maintain its overseas facilities in a safe, secure, and efficient manner would be jeopardized at this funding level. Restoration of this cut is necessary to maintain the Nation's foreign affairs infrastructure.

In addition, funding for international organizations and peacekeeping has been cut by over $260 million from the FY 1997 request, and no funds are provided for the U.S. to participate in international conferences. Although the Administration has worked diligently with some success to promote fiscal discipline and reform at the U.N. and other organizations, there is limited support in this bill for this effort. The Committee's underfunding of our international organization assessments will only increase aggregate arrears for these organizations and for assessed peacekeeping operations above the already outstanding amount of $1 billion. Despite these serious funding problems, the Administration appreciates the Committee's expressed support for U.S. leadership within a reformed United Nations and intends to continue discussions aimed at modifying the legislation in a manner that will further this shared goal.

The Administration is concerned about the reductions in the U.S. Information Agency's (USIA's) public diplomacy activities. Most importantly, the reduction in Salaries and Expenses and Broadcasting Operations accounts would jeopardize USIA's ability to perform its important role in promoting U.S. interests and understanding abroad. The Administration also strongly opposes the elimination of all funds in the bill for continuing the operation of TV Marti and urges that funding be restored.

Finally, funding for the Arms Control and Disarmament Agency (ACDA) has been reduced by $10 million from the FY 1997 request, which would severely impact continuing operations. It would jeopardize ACDA's capabilities to complete negotiations and to implement and support arms control and nonproliferation treaties, conferences, and organizations.

Ounce of Prevention Council

The Committee bill would eliminate funding for the Ounce of Prevention Council. The President's request of $9 million would allow the Council to award discretionary grants for various crime and substance abuse prevention programs. Elimination of this program would hinder the needed coordination of crime prevention efforts at the Federal level.

Small Business Administration (SBA) Business Loans

The Administration strongly urges the House to provide adequate funding to support the Administration's FY 1997 proposed volume of new 7(a) General Business Loan Guarantees. The Committee's mark for SBA business loans is $156 million less than the FY 1997 request of $316 million, a 49-percent reduction. This funding level would substantially reduce the 7(a) loan program level in FY 1997. In addition, the Committee's mark appears to provide no funding for SBA's 504 loan program. Unless legislation is passed that would reduce the cost of this program to zero, this funding level would shut down SBA's 504 loan program.

In addition to the concerns discussed above, the Administration has additional concerns with the bill that were detailed in a July 11th letter to the House Appropriations Committee.

of the bill and would like to work with the Congress on these provisions. In addition, we need to ensure that unnecessary provisions are not included in the legislation.

The Adoption Promotion and Stability Act is an important first step toward meeting the challenge of removing barriers to adoption. I look forward to working with you so that the dreams of the waiting children in this country to have permanent homes and loving families can become a reality.

Sincerely,

Bill Clinton

The Honorable Newt Gingrich
Speaker of the
House of Representatives
Washington, D.C. 20515

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 17, 1996
(House Floor)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 3814, DEPARTMENTS OF COMMERCE, JUSTICE, STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL, FY 1997

(Sponsors: Livingston (R), Louisiana; Rogers (R), Kentucky)

This Statement of Administration Policy provides the Administration's views on H.R. 3814, the Departments of Commerce, Justice, State, the Judiciary, and Related Agencies Appropriations Bill, FY 1997, as reported by the House Appropriations Committee. For the reasons discussed below, the President's senior advisers would recommend that the President veto the bill if it were presented to him in its current form.

The Administration strongly objects to the Committee's reductions to critical law enforcement, research and technology, international affairs, legal services, and other programs. Such reductions are unacceptable, and the bill requires significant improvements.

The Administration strongly opposes the provision, discussed in more detail below, included in the bill that would limit the President's ability to negotiate issues and implement agreements related to the ABM Treaty that are important to the national security of the United States. This provision would infringe upon the President's ability to conduct foreign relations and is unacceptable.

Legal Services Corporation

The Administration strongly objects to the Committee's funding level of $141 million for the Legal Services Corporation (LSC). The bill would cut the Corporation's funding level by roughly 50 percent from last year's level of $278 million and is almost two-thirds below the FY 1995 level. It would provide approximately $200 million less than the President's request of $340 million. Further reductions in funding would deprive LSC of the resources it needs to carry out its mission, essentially bankrupting the Corporation and denying the neediest members of our society access to the Nation's judicial system.

In addition, the Administration notes that the bill contains many restrictions on the activities of LSC grantees that were contained in the FY 1996 appropriations act. The Administration continues to have serious concerns with these restrictions, particularly the restrictions on the use of funds from non-LSC sources.

Department of Commerce

The Committee cuts funding for the Department of Commerce by $800 million below the request and $100 million below the FY 1996 level. These reductions would significantly undermine the effectiveness of programs across the Department. The Administration has grave concerns about the amounts provided for advanced technology and manufacturing extension, described below, as well as additional concerns about the Committee's proposed funding levels for other programs.

The Committee bill disregards the bipartisan agreement reached last year to maintain the Advanced Technology Program (ATP). The Committee provides inadequate funding to support current commitments and includes language prohibiting new awards as well as applying other restrictions. ATP is a highly competitive, cost-shared program that fosters technology development, promotes industrial alliances, and creates jobs. The ATP program was created with bipartisan support, which it continues to deserve.

The Administration would strongly oppose a motion that may be offered on the House Floor that would eliminate funding for ATP and the Technology Administration, based on their not being included in the House-passed Omnibus Science Bill.

The Committee's funding level for the Manufacturing Extension Partnership Program could force the closure of several centers across the country. Large geographic areas and many of our Nation's 381,000 smaller manufacturers would be without access to valuable technical assistance. The Department of Commerce estimates that this assistance has produced over $1 billion in increased sales and cost reductions and over 13,000 jobs. In addition, the Committee has not provided language that would allow Kansas and Michigan centers, which serve five States, to receive funding beyond the current six-year statutory limit.

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In addition to the concerns discussed above, the Administration has additional concerns with the bill that were detailed in a July 11th letter to the House Appropriations Committee.

Congressional Curbs on Legal Aid Programs Challenged in Court

By Barbara Vobejda
Washington Post Staff Writer

Five organizations that provide legal services to poor clients filed suit in federal court yesterday, challenging restrictions approved by Congress that have sharply limited the types of activities they are allowed to pursue, including those funded by private donors and other nonfederal sources.

The suit is the first coordinated effort to overturn controversial provisions that prohibit the Legal Services Corp. and its programs across the country from a variety of activities, including filing class-action suits, challenging welfare laws and representing undocumented immigrants and some prisoners.

The suit is the latest chapter in an ongoing struggle over the fate and identity of the Legal Services Corp., a nonprofit, quasi-governmental organization created in 1974 to provide legal aid to disadvantaged Americans. For years, some members of Congress have fought to eliminate funding for the agency and the programs it supports, arguing that it had grown beyond its initial mandate into a cadre of poverty lawyers intent on changing laws and pushing for liberal causes.

While efforts to kill the program have not succeeded, Congress has curtailed funding and adopted numerous restrictions on lobbying, class-action suits and other activities. In approving 1996 appropriations for the LSC, Congress expanded the restrictions to cover the activities of organizations even when they use nonfederal funds.

That is the provision being challenged in the suit filed yesterday by five legal aid programs, each of which receives some funding from the LSC. The programs also receive a substantial portion of their budgets from nonfederal sources.

"What we think is unconstitutional is that [Congress] conditions receipt of . . . LSC funding upon the willingness of the LSC program to give up its constitutionally protected right to associate freely with clients and donors, to file lawsuits . . . to do all the things that the First Amendment says you have a right to do," said Stephen V. Bomse, lead counsel for the plaintiffs.

Rep. Howard L. Berman (D-Calif.), a longtime Legal Services supporter, praised the agencies for "taking this on in the right kind of way," by challenging the restrictions in court rather than violating them or setting up a "sham" operation to segregate the use of federal and nonfederal funds. Many Legal Services programs across the country have divided their staff lawyers into two distinct organizations, one using federal funds under the restrictions, the other using nonfederal funds for other activities.

But a spokesman for Rep. George W. Gekas (R-Pa.), a supporter of the restrictions, criticized the lawsuit. "It's typical of the arrogance of the LSC," said Jim Campi. "Legal Services has never recognized that Congress has a right to put restrictions on it."

The plaintiffs in the suit are Legal Aid Society of Hawaii, Legal Services of Northern California, San Fernando Valley Neighborhood Legal Services, Legal Aid Society of Orange County and Alaska Legal Services Corp.

Two weeks ago, a New York state judge ruled that Congress could not force a legal aid attorney to withdraw from a class-action suit, as required under the restrictions.

IN THE LOOP

[Washington Post, Friday, January 10, 1997]

THE WHITE HOUSE

WASHINGTON

TO: Melanne Verveer

The attached article indicates the thinking of the opponents of the Legal Services Corporation.

Rob Weiner
66297

role of law generally was enhanced, and more predictability came to public policy. This did not mean, however, that law restrained the government or that democracy was on the way. Words could still be crimes, as many a priest, democrat, and poet found out.

Opening to non-Chinese presence and ideas. Deng's open door meant an end to the ideological self-reliance of the Mao era. Mao had tilted to the West in foreign policy; Deng looked to the West in economic and even spiritual matters as well.

Yet security officials still mostly viewed foreigners as spies; flies and other pests, they said, were buzzing through the open door. (In 1992 I myself found out the limits to law and cosmopolitanism. Meeting up with a dissident in Beijing, I was hustled away by goons and in the middle of the night expelled from China. I had "instigated anti-government activities," the government news agency said. I had smuggled "democratic ideas into China.")

THE big question remains of what the goal of Deng's reform-after-revolution was supposed to be, and what will become of it. Can the goal be clear if modernization has edged aside socialism as the most highly prized value? No doubt the goal of Deng's reform was prosperity. But the goal of revolution was also supposed to be prosperity (as well as independence from foreign bullying). At times reform seemed simply a retreat, as if the aim of the Deng era was to unravel the Mao era.

Contrary to Sinological opinion, the great flaw in Mao was not his "excesses," his cult of personality, or the self-indulgence exemplified by his lechery, but his basic attachment to Marxist–Leninist social engineering. Deng, to his credit, took remarkable steps away from the whole box and dice of social engineering. He took government out of realms it formerly dominated. But Deng clung fast to the political authoritarianism of Leninism. Communist rule continued to exist through the Deng years for the same reason that Communist rule came into being in the first place: the power of the gun. The monopoly of political power by the Communist Party was for Deng a given. Popular sovereignty was as alien to him as ancestor worship to the youth of Los Angeles.

In 1989, after President Bush protested the detaining of the dissident scientist Fang Lizhi, whom he had invited to dinner at a Beijing hotel, Deng made this defense to Bush: "China needs stability. You know China has a lot of people, each of them has his or her own opinion. You protest today, and I protest tomorrow, and one year has 365 days, and we will have protests every day. How could we continue our economic construction?"

Deng also made his mark in foreign policy. China is less threatened from outside than for more than a century. Deng secured the incorporation of Hong Kong into the People's Republic. And while not as valued in the West as before Tiananmen Square and the collapse of the Soviet Union, the PRC is more influential in Asia than it has ever been.

Deng's mind, formed in the anti-colonial era, amidst civil and international violence, was not equipped for the Economic Age of the 1990s, when nations are increasingly interdependent, and when human-rights concerns have become central. The older Deng got, the more he was guided by atavism. The border war between China and Vietnam in 1979 revealed his readiness to reach for the gun when faced with provocation. He showed the same tendency for military solutions at Tiananmen Square in 1989.

Deng's inheritance is now up for grabs. Serious reformers will criticize Deng for failing to match his economic reform with political liberalization. Leftists will say he went too far with reform and risked materialism and national disunity. If Communist rule lasts only a few more years in China, Deng will be seen as a Gorbachev, the one who pulled essential beams out of the structure, causing its collapse. If Communist rule persists, Deng will be viewed as its savior, who kept the Communist Party in power by undermining its justification.

The problem of China, for the U.S. today, is not the rise of China as such, but the rise of a China that remains Leninist. The most hopeful scenario would find China moving away from Leninism without having to say so; Deng would then be thought of as a magician who began dismantling Communism by sleight of hand. But I doubt that Leninism can slip away in the night. All my instincts after three decades of observing China tell me that politics will revive with lights flashing—and maybe guns blazing. □

Illegal Services

When Congress passed restrictions on the Legal Services Corporation, the LSC called in its lawyers.

RAEL JEAN ISAAC

"THERE has been overheated rhetoric from those who want to kill legal services for the poor. . . . There have been abuses; we all know that. . . . That is all in the past." So spoke, in July 1996, Republican Congressman Jim Ramstad of Minnesota, one of 56 Republicans whose votes enabled the Democratic minority to restore $109 million to the budget of the Legal Services Corporation (LSC). Only a year earlier the House had voted to phase out funding for the LSC over three years; at that time it seemed as if the new Republican Congress would make good on the promise of its conservative leaders to eliminate federal funding for this holdover of 1960s-style political activism.

The Republicans who saved Legal Services yet again (it was a Republican, Warren Rudman of New Hampshire, who was its chief champion when President Reagan sought to terminate the program) convinced themselves that in passing a long series of restrictions on its activities, they had finally reformed it. They had every reason to know better, because earlier efforts to rein in the program had been a complete failure.

Why did Congress believe that this time would be different? In part they

Mrs. Isaac writes on public policy issues.

were deceived by the agreement of the LSC, which has oversight over nearly three hundred local programs, to abide by the restrictions. Arguing for increased funding, California Democratic Congressman Julian Dixon declared: "In the face of new political realities, Legal Services advocates have been willing to bend over backward to accept far-reaching restrictions on attorney activities to ensure the continued existence of a viable core program." They were also unduly complacent because of the breadth of the new restrictions: Congress had never attempted to reform the program on this scale and in this detail.

Under the new rules, for example, Legal Services lawyers can no longer bring class-action suits, no longer lobby or engage in legislative or political advocacy, no longer litigate to reapportion electoral districts. They are forbidden to challenge welfare reform or bring suits on behalf of prisoners. (Legal Services lawyers have been a major force in expansion of prisoner "rights," including the right to release when courts find prisons to be overcrowded.)

Some of the new restrictions address complaints of groups victimized by Legal Services attorneys. Farmers using migrant labor had long complained that they were victims of what amounted to a government-sanctioned extortion racket. Legal Services attorneys would send them "demand letters" for large sums. Farmers could not even find out who was suing them on what grounds until the case went to court. Then, in addition to paying their own lawyer, they were often forced to pay attorney fees for Legal Services lawyers. The result was to put tremendous pressure on the farmer to submit to the initial demand letter. In response, Congress has now outlawed attorneys' fees in Legal Services cases, and ordered the programs to identify plaintiffs at the outset. Directors of public-housing projects had complained for years that Legal Services lawyers routinely prevented the eviction of drug dealers from public housing. In response, Congress has now forbidden Legal Services to take such cases.

Finally, Congress sought to deal with systemic problems: the unshakable hold on the public purse of existing Legal Services programs and the ease with which the rules could be evaded. While the Washington-based LSC was supposed to monitor and supervise local Legal Services programs, in practice the LSC Act made the LSC a check-writing machine, with local programs enjoying the right to automatic refunding. True, defunding a program that seriously violated the rules was possible on paper, but the process was so formidable and expensive that the Corporation rarely even attempted it. Congress has finally changed that, requiring a competitive selection process in which previous grantees, in theory at least, are not to be given preference.

But the most crucial reform by far was to forbid the use of non-LSC funds for activities that were out of bounds for federal funds. In the past, Legal Services attorneys could ignore congressional restrictions by claiming that any lawsuits that were explicitly forbidden—school-desegregation cases, for example—were brought with "other" funds, whether from state or local governments or from IOLTA (Interest of Lawyers' Trust Accounts), which pools short-term interest from client trust accounts and gives the proceeds to legal charities, primarily Legal Services. Now this all-important loophole was closed.

HOWEVER, if Congress believed it had secured the consent of Legal Services attorneys to the new restrictions, it was deluding itself. Legal Services programs promptly moved into their customary mode of rejecting any and all limitations on their freedom of action, whether by Congress or the LSC itself. As they had done so often before, they proceeded to ignore the restrictions and to subvert them, and, a new wrinkle, to bring lawsuits directly challenging them as unconstitutional.

Texas Rural Legal Aid (TRLA), traditionally one of the most radical Legal Services programs, took the lead in thumbing its nose at Congress. Although even under the old rules, Legal Services attorneys were forbidden to engage in "any political activity," TRLA filed a nakedly political lawsuit to overturn the election of two Republicans as sheriff and county commissioner in Val Verde County. TRLA sought to throw out the absentee ballots of eight hundred military personnel (Val Verde County is the site of Laughlin Air Force base) on the grounds, to quote the complaint, that their votes "resulted in the dilution of the Hispanic vote which resulted in a violation of section 2 of the Voting Rights Act."

The TRLA case, with its implied threat to the voting rights of all military personnel in local elections, produced a greater uproar in Congress than any other Legal Services case thus far. Texas Senators Phil Gramm and Kay Hutchinson in a furious joint letter to Douglas Eakeley, chairman of the LSC board, demanded that he direct TRLA to withdraw from this "illegal representation" or "face the loss of all federal funds in TRLA's possession and in the future." This was followed by an equally hot letter to Janet Reno signed by 58 senators (all the Republicans and three Democrats, including left-wing Democrat Barbara Mikulski, presumably sensitive to the large number of military installations in the D.C. area). Calling the TRLA lawsuit "an outrageous challenge to the military right to vote," the letter demanded that the Justice Department intervene.

'You can set up a second nonprofit corporation, which will not be the LSC grantee, [for] activities banned or restricted by the LSC Act.'

Worried by the political firestorm, the LSC sent a letter threatening punitive action to TRLA Executive Director David Hall, who sent an unrepentant reply. Both letters were revealing for what they did *not* say. The LSC did not criticize TRLA for violating the prohibition on engaging in politics, but focused on the TRLA demand, in its lawsuit, for outlawed attorney fees. In its reply, TRLA ignored the issue of attorney fees, and stoutly defended the lawsuit as a "civil rights" case (needless to say, TRLA did not see it as an assault on the civil rights of servicemen).

But although an LSC spokesman would describe the case as "perfectly valid," both the LSC and TRLA had every reason to know that it was not. In 1991 TRLA had sued to overturn an LSC regulation prohibiting Legal Services programs from engaging in redistricting litigation. Liberal judge Abner Mikva, a 22-year Democratic veteran of Congress, came down heavily against TRLA. Mikva ruled that the LSC Act "charges LSC with the duty to ensure that the Legal Services program remains free of partisan political influence and involvement" and that "politics and political considerations are inseparable from districting and apportionment." Kenneth Boehm, counsel to the LSC board in the Bush Administration and now chairman of the National Legal and Policy Center, points out that the legal precedent is crystal clear: if politics are inherent in redistricting, how much more are they inseparable from elections?

At this writing, the outcome of the TRLA effort to unseat the two Republicans is unknown. But whatever the lawsuit's outcome, it illustrates that Legal Services programs continue the familiar pattern of ignoring congressional restrictions, and the LSC brass, at least in a Democratic Administration, can be induced to weigh in only by the most compelling political pressures.

The second established *modus operandi* of Legal Services programs in dealing with congressional restrictions is to subvert them. In the Reagan years, Legal Services strategists pioneered the "mirror corporation." As one of those who devised the stratagem put it at the time, "You can set up a second nonprofit corporation, which will not be the LSC grantee, to do lobbying and other activities banned or restricted by the LSC Act." Congressional investigators discovered that the mirrors were separate in name only: for example, the Connecticut mirror had the same offices and phones, was staffed by the same attorneys and managed by the same executive director as the parent group.

In response to the current wave of restrictions, Legal Services programs have already established more than a dozen mirrors in nine states and more are surely on the way. As vice president of the Legal Aid Society of Santa Clara Elizabeth Shivall, put it: "It [Congress] can screw people with technicalities; we can unscrew them with technicalities."

There is, to be sure, a difference between the new and old mirrors, and it illustrates the ease with which Legal Services attorneys outwit Congress. Congress thought it had legislated away the problem of mirrors in the 1980s by forbidding any subgrantee of a Legal Services program to engage in activities forbidden to the parent group. But Legal Services attorneys devised a simple end run. The established program stops taking federal funds, creating a spinoff which applies for them. Technically, the new group is not a subgrantee because the money goes directly to it from the LSC, rather than being funneled to it by the original program.

Predictably, the Clinton-appointed LSC board and professional staff, which includes former Legal Services attorneys who were "generals" in the campaign against the Reagan-era restrictions, see nothing wrong with the new mirrors. Robert Echols, a top LSC staffer, described what the programs were doing as "perfectly appropriate." John Tull, formerly an outside consultant who helped Legal Services programs circumvent problems with the LSC monitoring staff, now himself in charge of monitoring, sent a reassuring memo to programs around the country. While the memo cautioned grantees on the eight criteria that signified "joint control," it concluded that even if the new groups met some of them, what was important was "the totality of the circumstances." Kenneth Boehm observes: "This means that LSC staff with close ties to grantees will be the sole judge of whether two groups sharing office space, staff, and other resources are subject to 'common control' and therefore to the new restrictions."

IF ignoring and subverting congressional restrictions are old hat, this time round Legal Services programs have embarked on something new: they are challenging Congress directly in the courts on the grounds that the restrictions are unconstitutional. The initiative is coming from the local level, for the LSC board and staff, however sympathetic ideologically, are fearful that Legal Services may win the battle (in the courts) and lose the war (congressional funding). Calling the legal challenge "playing Russian roulette," outgoing LSC President Alexander Forger complained: "Some people feel it's better to hang than to compromise."

It may indeed seem puzzling why Legal Services programs should not content themselves with the tried and true remedies of paying the restrictions no mind or setting up mirrors. But activists complain that the mirrors are inconvenient and inefficient, requiring duplication of facilities, and are often financially practicable only in large urban centers. Also, at the grass-roots level there is widespread conviction that Congress lacks the political will to pull the plug on Legal Services. Activists are convinced that when it comes down to the wire, dread of media opprobrium (headlines like "Republicans Deny Poor Legal Lifeline") and the wrath of bar associations will serve as sufficiently powerful deterrents. The challengers also believe, not unreasonably, that they have a strong legal case.

Activists are focusing their legal assault on what they recognize is the only meaningful congressional reform—applying the same rules to federal and nonfederal funds. Most of the other restrictions are undermined once nonfederal funds are free of the rules.

THE first suit challenging the restrictions on constitutional grounds was in New York state court and produced a speedy judgment in favor of Legal Services from liberal judge Beverly Cohen. Her opinion sounded like a *New York Times* editorial. The restrictions, wrote Judge Cohen, were an attack "on the causes of the poor and their champions," with "the rhetoric of budget reform . . . used to thinly disguise an attack on basic freedoms." On the key issue, the right of Congress to ban Legal Services lawyers from using nonfederal funds for activities they were forbidden to undertake using federal funds (in this case a class action), Judge Cohen ruled that Congress had violated "our most cherished American First Amendment freedoms: freedom of association, freedom of speech and freedom to petition the government for redress of grievances."

As a ruling in the lowest state court, the decision technically applies only to the facts of the specific case. Its primary significance, as one Legal Services advocate put it, is as "a very strong psychological boost for lawyers out there who are chafing under these rules."

The more significant constitutional challenges have been mounted in federal court, in New York and in Hawaii. Since the programs cannot sue Congress, the lawsuits name as defendant the LSC, which has issued regulations in accordance with the new congressional restrictions.

The plaintiffs in the New York case are an assortment of individual Legal Services attorneys (most employed by Mobilization for Youth Legal Services), Farmworkers Legal Services (a former grantee), activist community groups like WEP Workers Together (composed of welfare recipients assigned to workfare programs), and local left-wing politicians. Many of the plaintiffs are an inadvertent advertisement for abolishing Legal Services. MFY Legal Services attorneys, to name only a few of their more egregious cases, have brought suit against the Salvation Army, arguing that its religious mission disqualified it as a charity; sued the Huntington Coalition for the Homeless when it sought to evict a disruptive woman who refused to abide by any of the shelter's rules; sued to prevent New York City from closing a crackhouse that had plagued the neighborhood with shootings, prostitutes, and drug dealing; and sued to prevent the city from lowering welfare benefits to a panhandler on the grounds that his regular $250 take from motorists trapped at red lights was "exempt earned income."

The Hawaii suit is the more important, for here the chief plaintiffs are five Legal Services programs, Legal Aid Society of Hawaii, Alaska Legal Services Corporation, and three California programs. Except for the Legal Aid Society of Orange County, all the plaintiff programs receive a large proportion of their funds from nonfederal sources. They claim the congressional restrictions on non-LSC funds violate the First Amendment by restricting rights of free speech and association and the Fifth Amendment by subjecting the poor to unique and onerous burdens, thus denying them equal protection under the law. In a final slap at the restrictions, the lawsuit demands attorney fees.

From a conservative point of view, insofar as these attorneys seek to limit the reach of federal dictates, they have a strong case. In the wake of Judge Cohen's decision the *Washington Times* published an editorial with the tongue-in-cheek title, "The LSC strikes a blow for freedom," pointing out that if a college allows even one student to pay for tuition with a federally guaranteed student loan, the school is bound by a gazillion dictates from the Department of Education. The editorial urged every university in New York State to file immediately for regulatory relief based on Cohen's ruling.

The Hawaii court has already ruled for the plaintiffs. On February 14, federal judge Alan Kaye enjoined the LSC from enforcing seven key congressional restrictions. Judge Kaye ruled that Legal Services programs were free to use nonfederal funds for lobbying, for rulemaking, for redistricting cases, in fighting welfare reform, in prisoner litigation, in abortion-related litigation, and to represent drug dealers facing eviction proceedings. (On the principle that these were not First Amendment issues, he upheld, at least temporarily, the ban on class actions, attorney fees, and representation of aliens.)

Given the success of this pioneering case, a wave of copycat lawsuits around the country is foreordained, as well as a vigorous onslaught against the restrictions Judge Kaye has left standing. Even before the Hawaii decision, New York University law professor Burt Neuborne, counsel in both New York cases, reported that more cases were in the planning pipeline, including a challenge to Congress's right to restrict even the use of *federal* funds.

What all this means is that Congress can no longer pretend that Legal Services is capable of reform. Indeed, from a legal point of view, would-be reformers are likely to wind up not even at, but well behind square one. Congressional restrictions had traditionally applied to both federal and "private" funds, primarily money given to Legal Services programs by foundations. Because these funds paled in importance next to IOLTA and state money, Legal Services programs had never challenged the applicability of the restrictions to private money. But once the courts rule that nonfederal funds are exempt from restrictions, this of course applies to private money as well.

From the practical point of view, it will be back to business as usual for Legal Services programs. Boehm observes: "They will be back into redistricting cases, strike-related lawsuits, all the games and controversies they used to get involved in." Under the LSC Act, only the Corporation is authorized to ensure compliance by Legal Services grantees, and in the last analysis, says Boehm, the LSC has no incentive to

(Continued on page 60)

ISAAC

(Continued from page 45)

expose misuse of federal funds because it would only hurt the program with Congress.

Confident that it will be Congress that blinks, Legal Services programs are prepared for a showdown. As Burt Neuborne sees it: "This is a poker game, and LSC simply got bluffed away from the table very early in the game."

But even if Neuborne turns out to be wrong and a Republican Congress were to summon the political will to terminate federal funding, Legal Services programs will remain a major problem. Each year the amount of no-strings-attached IOLTA and other nonfederal money going to them grows. In 1981 IOLTA was a tiny program in a single state, Florida. In 1996 all fifty states had an IOLTA program, contributing a total of approximately $100 million to Legal Services coffers. State and local tax money for Legal Services has grown at a similar pace, so that by 1995 nonfederal funds were up to $249 million, close to the 1996 federal contribution of $278 million. At this point the nonfederal may actually be greater than the federal contribution. To cite only one example, Republican Governor Christine Todd Whitman last year sharply increased state funds to Legal Services, the better to undercut her own welfare reform initiatives, the chief target of New Jersey's Legal Services attorneys. Unless the states want to tie up all their social service reforms in the courts for decades, it is past time that they take a hard look at how their dollars are being used.

As far as IOLTA is concerned, thus far the only successful challenge has been in Texas. In 1996 a unanimous Fifth Circuit panel rejected the state's claim that it was free to expropriate for its own use interest earned on client trust accounts. The Washington Legal Foundation, which brought the suit, made it clear that the objection was not to the legislature's appropriating tax dollars to provide legal aid to the poor, but to the confiscation of property by the courts and its use to support political litigation with which those whose property was being taken disagreed.

Obfuscated by Legal Services attorneys and their allies, this is and remains the core issue: left-wing lawyers using the poor in pursuing their political agenda. □

NATIONAL LEGAL AID & DEFENDER ASSOCIATION

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WASHINGTON, DC
20006-1604

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FAX: (202) 872-1031

MEMORANDUM

TO: Melanne Verveer

FROM: Julie Clark JC

SUBJECT: Republican letter to Harold Rogers

DATE: May 22, 1997

* * * * * * * * * * * * * * * *

When Chairman Rogers asked the Corporation for "close down" costs, we knew we were in trouble! Hopefully the attached letter will signal the strength of our Republican support as Rogers prepares to mark-up the FY'98 State, Justice bill. Two others (Fawell (IL) and Gibbons (NV)) agreed to sign after the letter went out. We had a number of people who were reluctant to sign but indicated their support for LSC or who wanted to send their own letter (see attached from Jim Walsh).

Last year 56 Republicans voted for the Mollohan/Fox amendment. Forty-six of those returned in the 105th. While we don't need that number to prevail, we are worried about holding the Democrats (we got all but two last year) given the filing of lawsuits challenging the restrictions and the voting rights case in Texas.

This is just the first step in what is shaping up to be another tough fight. If Solomon permits points of order to strike unauthorized programs, we're in deep trouble. I have assured my network that the failure to "protect" LSC in the budget deal does not mean that the White House acquiesced in its elimination. Rather we will have to fight it out in appropriations. I'm surprised by the number of people who interpreted the Times article in this way (including Jack Martin at Ford). If I'm mistaken, please let me know.

I will keep you apprised of any developments that may emanate from here rather than the Corporation.

cc. Martha Foley
Janet Murguia
John Podesta
Rob Weiner

Congress of the United States
Washington, DC 20515
April 23, 1997

The Honorable Harold Rogers
Chairman
House Appropriations Subcommittee on Commerce,
Justice, State and The Judiciary
Room H309, The Capitol
Washington, DC 20515

Dear Chairman Rogers:

As you and your subcommittee colleagues prepare your FY98 recommendations, we urge you to include no less than $283 million for the Legal Services Corporation. The Legal Services programs remain the vital link between our nation's disadvantaged citizens and meaningful access to justice.

Last year, the House voted to preserve the Legal Services Corporation, incorporating a number of important reforms designed to insure that the focus of the program is on meeting the day to day needs of low income Americans. Two legal challenges have been brought against LSC for enforcing Congressional restrictions on nonfederal funds. We are convinced that LSC is vigorously defending these challenges and ensuring that all of its grantees are in full compliance with the law. For example, soon after the new law came into effect, legal services programs successfully disposed of all 630 pending class action cases. We are also willing to work with you to see that Congressional intent is upheld as the LSC pursues existing and any future legal challenges to the restrictions in place.

The 104th Congress reduced LSC's budget by more than one third. Further cuts will result in dramatic reductions in service to indigent constituents in our districts seeking help with everyday legal problems.

We intend to vote for adequate funding for the Legal Services Corporation because of our strong support for the rule of law. Anything less would deny millions of poor Americans real participation in our system of justice. Thank you for your leadership and your consideration of our views.

Sincerely,

Jon D. Fox Jim Ramstad

Jack Quinn Nancy L. Johnson

Dave Camp

[illegible]

Stephen Horn

[illegible]

Vern J. Ehlers

Christopher Shays

Sue Kelly

[illegible]

[illegible]

Fred Upton

Sherry Boehlert

Connie Morella

Jim Leach

[illegible]

Steve Schiff

Asa Hutchinson

Phil English

Tom Davis

Ileana Ros-Lehtinen

Mike Forbes

[illegible]

Rick Lazio

Marge Roukema

LSC LETTER SIGNERS

Representative

Jon Fox
Jim Ramstad
Deborah Pryce
Tom Davis
Nancy Johnson
Steve Schiff
Fred Upton
Sherry Boehlert
Amo Houghton
Ileana Ros-Lehtinen
Connie Morella
Steve Horn
Chris Shays
Asa Hutchinson
Lincoln Diaz-Balart
Jack Quinn
John Porter
Sue Kelly
Phil English
Jim Leach
Vernon Ehlers
Steve LaTourette
Dave Camp
Marge Roukema
Mike Forbes
Bob Franks
Rick Lazio

JAMES T. WALSH
MEMBER OF CONGRESS
25TH DISTRICT, NEW YORK

ASSISTANT MAJORITY WHIP

CHAIRMAN
FRIENDS OF IRELAND

Congress of the United States
House of Representatives
Washington, DC 20515–3225

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEES:
LEGISLATIVE
CHAIRMAN
AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES
VICE CHAIRMAN
VA, HUD, AND INDEPENDENT AGENCIES

May 6, 1997

The Honorable Harold Rogers, Chairman
House Appropriations Subcommittee on
Commerce, State and The Judiciary
Room H-309, The Capitol
Washington, D.C. 20515

Dear Hal:

I originally thought about signing another "Dear Colleague" again this year on continued funding for the Legal Services Corporation (LSC). After listening to some recent speeches attacking LSC, I decided that a personal letter must be written.

As a fellow subcommittee chairman, I know the pressure you are under to write a cost effective bill with limited resources. It isn't easy and everyone seems to have some special program that requires protection. I understand that problem well.

When I look at LSC, however, my focus is on those who use their services. In my district the number is substantial, and the work of LSC is recognized and applauded everywhere. Low-income families need legal assistance on various transactions just like every other American family these days. To deprive them of such protection would be tragic.

I know you will do your best to help us address this problem. You can count on me to help in any way possible.

Sincerely,

James T. Walsh
Member of Congress

National Legal Aid & Defender Association
1625 K. Street, N.W.
Suite 800
Washington, D.C. 20006-1604
(p)202-452-0620
(f) 202-872-1031
E-Mail: hn0439@earthlink.net

Devoted to preserving the availability of effective legal assistance for poor and low-income Americans.

Fax Message

To: Melanne Verveer
From: Julie Clark
Date: 6-11-97
Completed by: mw
Restricted (Yes/No): no

Fax#: 202-456-6244
Dept#: 5001

5 **Pages (including cover page)**

If not received properly, please notify us immediately at (202) 452-0620 ext. 16 .

Comments:

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(202) 872-1031 (FAX)
E-Mail HN0439@handsnet.org

JUSTICE '97
The Legal Services Campaign

NATIONAL LEGAL AID AND DEFENDER ASSOCIATION
PROJECT ADVISORY GROUP
1625 K St. NW
Washington, DC 20006

PAG
PROJECT ADVISORY GROUP
(202) 223-1760
(202) 223-1803 (FAX)
E-Mail HN0686@handsnet.org

MEMORANDUM

TO: State Coordinators

FROM: Julie Clark

SUBJECT: Democrat letter to Chairman Rogers

DATE: June 11, 1997

* * * * * * * * * * * * * * *

You were so successful at recruiting members to sign the Fox/Ramstad letter that we have decided to test your skills once again. Congressman David Minge (D-MN) has agreed to circulate a letter addressed to Chairman Harold Rogers and Ranking Member Alan Mollohan to fellow centrist Democrats for their signature. The letter is similar to that sent by their Republican colleagues emphasizing the need for at least $283 million for FY'98. It also highlights the current structure of the Corporation as the preferable funding conduit.

We expect the House appropriations subcommittees to receive their 602(b) spending allocations today. Once they know the amount of money within their jurisdiction, subcommittees will begin markups. The markup in State, Justice, Commerce may occur as early as next week.

If you have a Representative on the attached target list we are asking you to contact that person immediately to encourage him/her to sign the Minge letter. The Congressman will be circulating his letter today. The deadline for signatures is close of business Tuesday, June 17.

The target list focuses on moderate/conservative Democrats and new members. It is designed to send the signal that we have a sufficient number of Democrats, coupled with their Republican counterparts, to defeat any attempts to slash funding for or alter the structure of LSC. In the past few weeks we have heard numerous rumors that certain Congressmen intend to block grant the program. They feel the "deal" which they struck last year, placing restrictions on grantees in exchange for continued funding, has been abrogated by the filing of lawsuits challenging the restrictions. They blame the Corporation for its lack of accountability and are searching for an alternative funding mechanism.

Your D.C. Coordinator will be calling you within the next 24 hours to underscore the urgency of this request and to answer any questions you may have. Please report back to that person by Tuesday afternoon so that we may brief the Congressman early Wednesday morning. The contact person in Congressman Minge's office is Deondra Arko. She may be reached at (202) 225-2331.

Thank you for your attention to this effort. We think it will solidify our support in the House significantly. Please remember that, with the exception of the freshmen, all the members on this list voted for the Fox/Mollohan amendment last year.

DAVID MINGE
2ND DISTRICT, MINNESOTA
1415 LONGWORTH BUILDING
WASHINGTON, DC 20515
(202) 225-2331
E-MAIL: WWW.HOUSE.GOV/WRITEREP

COMMITTEE ON AGRICULTURE
GENERAL FARM COMMODITIES
FORESTRY, RESOURCE CONSERVATION AND RESEARCH

COMMITTEE ON THE BUDGET

UNITED STATES
HOUSE OF REPRESENTATIVES

June 11, 1997

The Honorable Harold Rogers, Chairman
The Honorable Alan Mollahan, Ranking Minority
House Appropriations Subcommittee on Commerce, Justice, State and the Judiciary
Room H309, The Capitol
Washington, D.C. 20515

Dear Chairman Rogers and Representative Mollohan:

We understand that a number of our Republican colleagues have written letters to Chairman Rogers to express their support for adequate funding for the Legal Services Corporation, and we want to share with you our deep concerns about the future of this vital program which provides meaningful access to our civil justice system for many of our nation's poorest families. As your subcommittee prepares its FY 1998 recommendations, we wish to echo the plea of our colleagues from across the aisle that you include no less than the current funding level of $283 million for the Legal Services Corporation and the programs that it funds. Additionally we wish to stress that the independent Corporation has a well-proven record of efficiency and effectiveness for which there is no substitute.

Despite a cut of almost one third from its FY1996 budget and the imposition of numerous restrictions on the activities of programs funded by the Legal Services Corporation, recipients of LSC funds are still providing essential legal representation for millions of low-income individuals and families who would otherwise be unable to afford such assistance. In order to meet the ever increasing legal needs of poor people while faced with severely reduced federal resources, legal services recipients have introduced new innovations in the delivery of services to find creative ways to do more with less. They have worked tirelessly with the volunteer private attorneys and non-LSC funders to increase the resources available to serve financially eligible clients, but in most areas of the country the gap continues to widen. Without adequate federal funding, most of the programs that have served our indigent constituents for more than 20 years would collapse.

Who are those constituents who are served by LSC recipients? Under current income guidelines, one in five Americans is potentially eligible for LSC-funded services. They include most of the working poor who struggle to make ends meet and to support their families with minimum wage or part-time jobs. While more than 50% of legal services' clients are white, the remainder come from every racial and ethnic group. Two-thirds are women, most of whom head families with children. More than 10% are elderly. Of the 1.4 million cases closed in 1996, more than 500,000 were juvenile and family law matters, and nearly one-quarter of a million cases involved efforts to obtain relief from domestic violence. Most of the remaining 900,000 cases involved consumer, housing, health, education and income maintenance issues for individuals and families.

These are essential services, and without them our low-income constituents would be denied any real opportunity to benefit from the protections of our system of civil justice. We intend to support adequate funding for the Legal Services Corporation and the programs that it funds because we believe that the modest cost is an essential investment in the development of a just and compassionate society for all of our citizens. We hope that you concur in that belief and we thank you for your consideration of our views.

Sincerely,

DAVID MINGE
Member of Congress

LSC Letter Target List
House Democrats

ALABAMA

Robert "Bud" Cramer, Jr.

ARKANSAS

*Marion Berry

CALIFORNIA

Calvin M. Dooley
*Loretta Sanchez
*Ellen Tauscher

FLORIDA

*Allen Boyd
Karen L. Thurman

GEORGIA

Sanford Bishop

ILLINOIS

Bill Lipinski

KENTUCKY

Scotty Baesler

LOUISIANA

*Chris John

MICHIGAN

James Barcia

MINNESOTA

Bill Luther
Collin C. Peterson

MISSOURI

Pat Danner

NEW JERSEY

Robert Andrews

NEW YORK

*Carolyn McCarthy

NORTH CAROLINA

*Bob Etheridge
W.G. (Bill) Hefner
*Mike McIntyre
*David. E. Price

PENNSYLVANIA

Tim Holden

TENNESSEE

Bob Clement
Bart Gordon

TEXAS

*Max Sandlin
*Jim Turner

VIRGINIA

Owen B. Pickett
Norman Sisisky

WEST VIRGINIA

Nick J. Rahall II

* Denotes new members

National Legal Aid & Defender Association
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Devoted to preserving the availability of effective legal assistance for poor and low-income Americans.

Fax Message

To: Melanne Verveer
From: Julie Clark
Date: June 19, 1997
Completed by: MW
Restricted (Yes/No): no

Fax#: 202-456-6244
Dept#: 5001

12 **Pages (including cover page)**

If not received properly, please notify us immediately at (202) 452-0620 ext. 16 .

Comments:

NATIONAL LEGAL AID & DEFENDER ASSOCIATION

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SUITE 800
WASHINGTON, DC
20006-1604

TEL: (202) 452-0620
FAX: (202) 872-1031

MEMORANDUM

TO: Melanne Verveer

FROM: Julie Clark

RE: Democrat letter to Harold Rogers

DATE: June 19, 1997

****

I promised to keep you informed of grassroots activities which the Corporation is prohibited from doing.

With all the talk of block granting the legal services program, we decided to firm up our conservative/centrist Democrat support by asking certain members to sign a letter to Chairman Rogers and Ranking Member Mollohan. To date 22 members have signed and we have an additional 20 to recruit. Our deadline is Wednesday, June 25. The tentative mark-up is July 9. I have attached the letter and lists.

I am also including a missive we received from Peter Flaherty. I think you will find it amusing/informative. I'll keep you posted! Call me if you have any suggestions about our strategy to date or in the future. As always, the legal services community is grateful for your continued vigilance.

Attachments

CC: Janet Murguia
John Podesta
Rob Weiner

NATIONAL LEGAL AID & DEFENDER ASSOCIATION

1625 K STREET, NW
SUITE 800
WASHINGTON, DC
20006-1604

TEL: (202) 452-0620
FAX: (202) 872-1031

MEMORANDUM

TO: State Coordinators

FROM: Julie Clark

SUBJECT: Democrat letter to Chairman Rogers

DATE: June 19, 1997

* * * * * * * * * * * * * * * *

In less than eight days you have recruited twenty-two members to sign the letter to Chairman Rogers and Ranking Member Alan Mollohan circulated by Congressman Dave Minge (D-MN). Congratulations and thank you for your hard work. **Please keep going!** The House Appropriations Committee finalized the 602(b) allocations to its thirteen subcommittees yesterday and three subcommittees have scheduled mark-ups for this week. The Commerce, Justice, State appropriations subcommittee is not among those scheduled. Tentative mark-up in the subcommittee is July 9th and full committee is July 23rd. Accordingly, **Congressman Minge has extended the deadline for signatures on his letter. The new deadline is Wednesday, June 25.**

I am sending you a list of the members who have signed the letter and an updated target list. Please try to secure those signatures by next week so that Congressman Minge can send the letter prior to the recess. We will communicate with you late next week about activities you may wish to undertake during the recess.

This is a very promising response rate. Coupled with the members who signed the Fox/Ramstad letter, the signatories on the Minge letter should produce a critical mass capable of defeating any attempt by the House leadership and/or the appropriations subcommittee to significantly reduce the funding and/or alter the structure of the Legal Services Corporation.

Attachments

LSC Letter Target List - as of 6/19/97
House Democrats

ALABAMA

Robert "Bud" Cramer, Jr.

ARKANSAS

*Marion Berry

FLORIDA

Karen L. Thurman

GEORGIA

Sanford Bishop

KENTUCKY

Scotty Baesler

LOUISIANA

*Chris John

MICHIGAN

James Barcia

MINNESOTA

Collin C. Peterson

MISSOURI

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NEW JERSEY

*Bill Pascrell

NORTH CAROLINA

*Bob Etheridge
*Mike McIntyre

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Bob Clement
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*Rubén Hinojosa
*Silvestre Reyes
*Max Sandlin

VIRGINIA

Virgil H. Goode Jr.

WEST VIRGINIA

Nick J. Rahall II

* Denotes new members

People who have signed Minge's Letter - as of 6/19/97

ARKANSAS

*Vic Snyder

CALIFORNIA

Calvin M. Dooley
Bob Filner
*Loretta Sanchez
*Ellen Tauscher

FLORIDA

*Allen Boyd

ILLINOIS

Bill Lipinski

INDIANA

*Julia Carson

IOWA

*Leonard Boswell

MINNESOTA

Bill Luther

MISSOURI

Pat Danner

NEW JERSEY

Robert Andrews
*Steven Rothman

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W.G. (Bill) Hefner
*David. E. Price

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Tim Holden
John P. Murtha
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* Denotes new members

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COMMITTEE ON AGRICULTURE
GENERAL FARM COMMODITIES
FORESTRY, RESOURCE CONSERVATION AND RESEARCH

COMMITTEE ON THE BUDGET

UNITED STATES
HOUSE OF REPRESENTATIVES

June 11, 1997

The Honorable Harold Rogers, Chairman
The Honorable Alan Mollahan, Ranking Minority
House Appropriations Subcommittee on Commerce, Justice, State and the Judiciary
Room H309, The Capitol
Washington, D.C. 20515

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Despite a cut of almost one third from its FY1996 budget and the imposition of numerous restrictions on the activities of programs funded by the Legal Services Corporation, recipients of LSC funds are still providing essential legal representation for millions of low-income individuals and families who would otherwise be unable to afford such assistance. In order to meet the ever increasing legal needs of poor people while faced with severely reduced federal resources, legal services recipients have introduced new innovations in the delivery of services to find creative ways to do more with less. They have worked tirelessly with the volunteer private attorneys and non-LSC funders to increase the resources available to serve financially eligible clients, but in most areas of the country the gap continues to widen. Without adequate federal funding, most of the programs that have served our indigent constituents for more than 20 years would collapse.

Who are those constituents who are served by LSC recipients? Under current income guidelines, one in five Americans is potentially eligible for LSC-funded services. They include most of the working poor who struggle to make ends meet and to support their families with minimum wage or part-time jobs. While more than 50% of legal services' clients are white, the remainder come from every racial and ethnic group. Two-thirds are women, most of whom head families with children. More than 10% are elderly. Of the 1.4 million cases closed in 1996, more than 500,000 were juvenile and family law matters, and nearly one-quarter of a million cases involved efforts to obtain relief from domestic violence. Most of the remaining 900,000 cases involved consumer, housing, health, education and income maintenance issues for individuals and families.

These are essential services, and without them our low-income constituents would be denied any real opportunity to benefit from the protections of our system of civil justice. We intend to support adequate funding for the Legal Services Corporation and the programs that it funds because we believe that the modest cost is an essential investment in the development of a just and compassionate society for all of our citizens. We hope that you concur in that belief and we thank you for your consideration of our views.

Sincerely,

DAVID MINGE
Member of Congress

CITIZENS REVIEW

8321 Old Courthouse Road • Suite 251 • Vienna, Virginia 22182
(703) 748-1548 • Fax: (703) 821-7441

June 17, 1997

TO: Conservative Movement Leaders

FR: Peter Flaherty, President

RE: Anti-Legal Services Lobbying Campaign

OUR GOAL

We seek to end taxpayer funding for the federal legal services program. If this goal cannot be achieved in 1997, we seek the deepest possible cuts this year toward the goal of defunding the program next year.

THE CURRENT SITUATION

The 1995 House Budget Resolution specified a three year phase-out of legal services funding. The first year one-third cut was passed by the House as part of a larger Appropriations bill without a specific floor vote on legal services. Last year, the Appropriations Committee passed the second one-third cut but the funds were restored on the House floor on July 23 through an amendment by Jon Fox (R-PA) and Alan Mollohan (D-WV). Passed by a margin of 249-179, the amendment enjoyed the support of 56 Republicans.

I do not believe that this vote was an accurate benchmark of legal services support in the House. The GOP Leadership did not whip the vote. It occurred very late in legislative session of an election year. It was a "free vote" with "every man for himself."

The biggest problem, however, was the lack of an organized anti-legal services lobbying campaign. Although legal services critics in the House who took part in the debate had excellent research at their disposal (much of it provided by the National Legal and Policy Center), there was no grass-roots pressure behind the good arguments. At the same time, the American Bar Association and grantees of the Legal Services Corporation (LSC) conducted an extensive (and sometimes illegal) campaign against further cuts.

Of the 56 Republicans who voted wrong, 46 remain in the House. GOP freshman have not voted on the issue and many are unfamiliar with it. (Three Democrats voted with us.) I firmly believe that progress can be made this year. We seek 218 votes. If we do not reach 218, the closer we get means the more that is cut.

An aggressive lobbying campaign can produce a highly-leveraged result. For instance, in 1995 some $140 million was cut out of legal services-- five to six times the budget of the Heritage Foundation! An aggressive lobby campaign could result in further multi-million dollar cuts this year. <u>This is a fight worth fighting</u>.

Although both House and Senate members must be lobbied, the most critical events will take place in the House. The Appropriations Committee has yet to approve a budget figure for this year. We have asked that it be zero. During hearings earlier this year, Subcommittee Chairman Hal Rogers (R-KY), a supporter of the program in previous years, called LSC "stupid" and "arrogant." We believe he may well propose deep cuts or defunding LSC completely. Legislative action on the House floor will likely take the form of an amendment to restore funds cut by the Appropriations Committee.

We must now begin a major grass-roots lobbying campaign and sustain it through the vote.

TARGET LISTS

Please find attached targets lists. Targeting is a subjective process but we believe this is a good working list. It is not meant to be exclusive; all House members should be lobbied. Citizens for Reform will conduct substantial activities in the districts of Pro-LSC Leaders, Top Tier GOP incumbents and Top Tier GOP freshmen. We plan to update this list on a regular basis as events unfold.

THE WAR ROOM

CFR will maintain a full-time War Room at our new McLean office through the vote. Washington-based conservative leaders and grass-roots activists in the field are welcome to contact us at any time. We have set up files on every House target. We want to provide intelligence to other groups and activists on each district. Conversely, we need to receive intelligence from Congressional staff and grass-roots contacts throughout the fight.

CAMPAIGN MANAGER

CFR has named Dan Rene as Campaign Manager for this effort. Dan has extensive grass-roots political experience, most recently with the abortive Coleman Andrews for Lt. Governor campaign in Virginia. Dan may be contacted anytime day or night for the duration of the campaign. His home phone is 703-239-2468.

WHAT'S AT STAKE

The continued existence of the federal legal services program is a threat to all conservative organizations and our ability to advance our agendas. The movement is nothing but a paper tiger if we cannot mount a major campaign to confront our foes.

The legal services "community" has not relied on Bill and Hillary Clinton to win their battles for them. In fact, the Clintons have done relatively little to help, even though Hillary once served as LSC Chairman. The ABA and other left-wing legal activists have gone out and mobilized their grass-roots to lobby Congress.

We must do the same thing. We will demand that the House GOP Leadership whip this vote, but we should not rely on them for anything. The only way to win is to go out and get the 218 votes.

What's at stake is our credibility as a movement.

Our new address is: 1309 Vincent Place, Suite 3000, McLean, VA 22101. Our phone and fax numbers remain the same.

CITIZENS FOR REFORM

Pro-LSC Leaders

	Congressman	District	LSC Contact	Telephone	Fax
1	Jon Fox	Pennsylvania-13	Jan Friis	202-225-6111	202-225-3155
2	Bill McCollum	Florida-8	Karl Kaufmann	202-225-2176	202-225-0999
3	Alan Mollohan	West Virginia-1	Sally Gaines	202-225-4172	202-225-7564
4	Jim Ramstad	Minnesota-3	Karin Hope	202-225-2871	202-225-6351
5	Charlie Stenholm	Texas-17	Rebecca Tice	202-225-6605	202-225-2234

Democrat Targets

1	Scott Baesler	Kentucky-6	Cheryl Brownell	202-225-4706	202-225-2122
2	Ken Bentsen	Texas-25	Bradley Edgell	202-225-4806	202-225-2947
3	Gary Condit	California-18	Robert Guenther	202-225-6131	202-225-0819
4	Robert Cramer	Alabama-5	Shar Hendrick	202-225-3711	202-225-4392
5	Chet Edwards	Texas-11	Elizabeth Lee	202-225-6105	202-225-0350
6	Virgil Goode	Virginia-5	Jim Severt	202-225-4711	202-225-5681
7	Chris John	Louisiana-7	Gordon Taylor	202-225-2031	202-225-5724
8	Mike McIntyre	North Carolina-7	Bill Bondshu	202-225-2731	202-225-5773
9	Silvestre Reyes	Texas-16	Dian Copelin	202-225-4831	202-225-2016
10	Max Sandlin	Texas-1	Lynn Marquis	202-225-3035	202-225-5866
11	John Tanner	Tennessee-8	Doug Thompson	202-225-4714	202-225-1765
12	Jim Turner	Texas-2	Elizabeth Hurley	202-225-2401	202-225-5955

Democrats Who Voted Correctly In 1996

1	Ralph Hall	Texas-4	Grace Warren	202-225-6673	202-225-3332
2	Gene Taylor	Mississippi-5	Stephen Peranich	202-225-5772	202-225-7074

Hopeless Republicans

1	Sherwood Boehlert	New York-23	David Goldston	202-225-3665	202-225-1891
2	Jim Leach	Iowa-1	Bill Tate	202-225-6576	202-226-1278
3	Constance Morrella	Maryland-8	Cynthia Hall	202-225-5341	202-225-1389
4	Chris Shays	Connecticut-4	Allison Rak	202-225-5541	202-225-4975

CITIZENS FOR REFORM

Top Tier GOP Incumbent Targets

	Congressman	District	LSC Contact	Telephone	Fax
1	Brian Bilbray	California-49	Dave Schroeder	202-225-2040	202-225-2948
2	Henry Bonilla	Texas-23	Marc Lubin	202-225-4511	202-225-2237
3	Dave Camp	Michigan-4	Behrends Foster	202-225-3561	202-225-9679
4	Charles Canady	Florida-12	Mary Coogan	202-225-1252	202-225-2279
5	Tom Davis	Virginia-11	Peter Sirh	202-225-1492	202-225-3071
6	Vernon Ehlers	Michigan-3	Will Plaster	202-225-3831	202-225-5144
7	Mark Foley	Florida-16	Liz Nicholson	202-225-5792	202-225-3132
8	Tillie Fowler	Florida-4	Bill Klien	202-225-2501	202-225-9318
9	Rodney Frelinghuysen	New Jersey-11	Ed Krenik	202-225-5034	202-225-3186
10	Bob Goodlatte	Virginia-6	David Lehman	202-225-5431	202-225-9681
11	Jim Greenwood	Pennsylvania-8	Cara Haas	202-225-4276	202-225-9511
12	Tom Latham	Iowa-5	Paul Zurawski	202-225-5476	202-225-3301
13	Steve LaTourette	Ohio-19	Mike Riith	202-225-5731	202-225-3307
14	Frank LoBiondo	New Jersey-2	Carl Thorsen	202-225-6572	202-225-3318
15	George Nethercutt	Washington-5	Amy Flachbart	202-225-2006	202-225-3392
16	Deborah Pryce	Ohio-15	Lori Teets	202-225-2015	?????
17	Jack Quinn	New York-30	Beth Meyers	202-225-3306	202-226-0347
18	Jim Saxton	New Jersey-3	Bill Berl	202-225-4765	202-225-0778
19	Fred Upton	Michigan-6	Scott Aliferis	202-225-3761	202-225-4986
20	Curt Weldon	Pennsylvania-7	Brian Taylor	202-225-2011	202-225-8137

Second Tier GOP Incumbent Targets

1	Mike Castle	Delaware-AL	Booth Jameson	202-225-4165	202-225-2291
2	Lincoln Diaz-Balart	Florida-21	Elizabeth Humphrey	202-225-4211	202-225-8576
3	Phil English	Pennsylvania-21	Karin Johns	202-225-5406	202-225-3103
4	Harris Fawell	Illinois-13	Kristin Wolgemuth	202-225-3515	202-225-9420
5	Bob Franks	New Jersey-7	Michael Harrington	202-225-5361	202-225-9460
6	Wayne Gilchrest	Maryland-1	Dan Walsh	202-225-5311	202-225-0254
7	Benjamin Gilman	New York-20	Todd Burger	202-225-3776	202-225-2541
8	Amo Houghton	New York-31	Marijo Gorney	202-225-3161	202-225-5574
9	Steve Horn	California-38	Doug Johnson	202-225-6676	202-226-1012
10	Nancy Johnson	Connecticut-6	Kathy Havey	202-225-4476	202-225-4488
11	Sue Kelly	New York-19	Steve Hall	202-225-5441	202-225-3289
12	Scott Klug	Wisconsin-2	Pat Browne	202-225-2906	202-225-6942
13	Ray LaHood	Illinois-18	Chris Guidry	202-225-6201	202-225-9249
14	Rick Lazio	New York-2	Andy Ehrlich	202-225-3335	202-225-4669
15	Bob Ney	Ohio-18	Dave Heil	202-225-6265	202-225-3394
16	John Porter	Illinois-10	Julie DeBolt	202-225-4835	?????
17	Ralph Regula	Ohio-16	Karen Buttaro	202-225-3876	202-225-3059
18	Ileana Ros-Lehtinen	Florida-18	Jay O'Callaghan	202-225-3931	202-225-5620
19	Marge Roukema	New Jersey-5	Chris Brinson	202-225-4465	202-225-9048
20	Steven Schiff	New Mexico-1	Tony Benavidez	202-225-6316	202-225-4975
21	Jim Walsh	New York-25	Art Jutton	202-225-3701	202-225-4042

CITIZENS FOR REFORM

Top Tier GOP Freshmen Targets

	Congressman	District	LSC Contact	Telephone	Fax
1	Roy Blunt	Missouri-7	Duncan Haggart	202-225-6536	202-225-5604
2	Kevin Brady	Texas-8	David Malech	202-225-4901	202-225-5524
3	John Cooksey	Louisiana-5	Jim Phalen	202-225-8490	202-225-5639
4	Jo Ann Emerson	Missouri-8	David LaValle	202-2254404	?????
5	Jim Gibbons	Nevada-2	Peggy Gordon	202-225-6155	202-225-5679
6	Kay Granger	Texas-12	Kevin McCrea	202-225-5071	202-225-5683
7	Bill Jenkins	Tennessee-1	Brenda Otterson	202-225-6536	202-225-5714
8	Jerry Moran	Kansas-1	Kari Austin	202-225-2715	202-225-5124
9	Anne Northup	Kentucky-3	Megan Boland	202-225-5401	202-225-5776
10	Ed Pease	Indiana-7	Kate Wallen	202-225-5805	?????
11	John Peterson	Pennsylvania-5	Jill Hershey	202-225-5121	202-225-5796
12	James Rogan	California-27	Myron Jacobson	202-225-4176	202-225-5828
13	Pete Sessions	Texas-5	Robert Shea	202-225-2231	202-225-5878
14	Bob Smith	Oregon-2	Doug Badger	202-225-6730	202-225-5774
15	John Sununu	New Hampshire-1	Matt Leeland	202-225-5456	202-225-5822
16	Wes Watkins	Oklahoma-3	Scott Raab	202-225-4565	202-225-5966

Second Tier GOP Freshmen Targets

1	Robert Aderholt	Alabama-4	Mark Busching	202-225-4876	202-225-5587
2	Chris Cannon	Utah-3	Steve Taggart	202-225-7751	202-225-5629
3	Merril Cook	Utah-2	Janet Jenson	202-225-3011	202-225-5638
4	Rick Hill	Montana-AL	Rob Hobart	202-225-3211	202-225-5687
5	Kenny Hulshof	Missouri-9	Craig Clark	202-225-2956	202-225-5172
6	Asa Hutchinson	Arkansas-3	Stacey Shrader	202-225-4301	202-225-5713
7	Michael Pappas	New Jersey-12	Paul Pisano	202-225-5801	202-225-6025
8	Chip Pickering	Mississippi-3	John Rothrock	202-225-5031	202-225-5797
9	Joe Pitts	Pennsylvania-16	Lauren Richardson	202-225-2411	202-225-2013
10	Bill Redmond	New Mexico-3	Jennifer Hamann	202-225-6190	202-226-1331
11	Bob Riley	Alabama-3	Jon Heroux	202-225-3261	202-225-5827
12	Jim Ryun	Kansas-2	Paul Webster	202-225-6601	202-225-7986
13	Bob Schaffer	Colorado-4	Marcus Dunn	202-225-4676	202-225-5870
14	John Shimkus	Illinois-20	Dan Blankenburg	202-225-5271	202-225-5880
15	Vince Snowbarger	Kansas-3	Patrick Wilson	202-225-2865	202-225-5897
16	John Thune	South Dakota-AL	Jafar Karim	202-225-2801	202-225-5823

DAVID MINGE
2ND DISTRICT, MINNESOTA
1415 LONGWORTH BUILDING
WASHINGTON, DC 20515
(202) 225-2331
E-MAIL: WWW.HOUSE.GOV/WRITEREP

COMMITTEE ON AGRICULTURE
GENERAL FARM COMMODITIES
FORESTRY, RESOURCE CONSERVATION AND RESEARCH

COMMITTEE ON THE BUDGET

UNITED STATES
HOUSE OF REPRESENTATIVES

June 26, 1997

The Honorable Harold Rogers, Chairman
House Appropriations Subcommittee on Commerce, Justice, State and the Judiciary
Room H309, The Capitol
Washington, D.C. 20515

Dear Chairman Rogers:

We understand that a number of our Republican colleagues have written letters to Chairman Rogers to express their support for adequate funding for the Legal Services Corporation, and we want to share with you our deep concerns about the future of this vital program which provides meaningful access to our civil justice system for many of our nation's poorest families. As your subcommittee prepares its FY 1998 recommendations, we wish to echo the plea of our colleagues from across the aisle that you include no less than the current funding level of $283 million for the LSC and the programs that it funds. Additionally we wish to stress that the independent corporation has a well-proven record of efficiency and effectiveness for which there is no substitute.

Despite a cut of almost one third from its FY1996 budget and the imposition of numerous restrictions on the activities of programs funded by the LSC recipients of LSC funds are still providing essential legal representation for millions of low-income individuals and families who would otherwise be unable to afford such assistance. In order to meet the ever increasing legal needs of poor people while faced with severely reduced federal resources, LSC recipients have introduced new innovations in the delivery of services to find creative ways to do more with less. They have worked tirelessly with the volunteer private attorneys and non-LSC funders to increase the resources available to serve financially eligible clients, but in most areas of the country the gap continues to widen. Without adequate federal funding, most of the programs that have served our indigent constituents for more than 20 years would collapse.

Who are those constituents who are served by LSC recipients? Under current income guidelines, one in five Americans is potentially eligible for LSC-funded services. They include most of the working poor who struggle to make ends meet and to support their families with minimum wage or part-time jobs. While more than 50% of LSC's clients are white, the remainder come from every racial and ethnic group. Two-thirds are women, most of whom head families with children. More than 10% are elderly. Of the 1.4 million cases closed in 1996, more than 500,000 were juvenile and family law matters, and nearly one-quarter of a million cases involved efforts to obtain relief from domestic violence. Most of the remaining 900,000 cases involved consumer, housing, health, education and income maintenance issues for individuals and families.

— DISTRICT OFFICES: —

(SOUTHTOWN PLAZA)
542 FIRST STREET SOUTH
MONTEVIDEO, MN 56265
(320) 269-9311
TOLL FREE: 1-(800)-453-9392

(CITY SQUARE)
205 EAST FOURTH STREET
CHASKA, MN 55318
(612) 448-6567

(COURTHOUSE SQUARE)
938 FOURTH AVENUE
P.O. BOX 367
WINDOM, MN 56101
(507) 831-0115

These are essential services, and without them our low-income constituents would be denied any real opportunity to benefit from the protections of our system of civil justice. We intend to support adequate funding for the Legal Services Corporation and the programs that it funds because we believe that the modest cost is an essential investment in the development of a just and compassionate society for all of our citizens. We hope that you concur in that belief and we thank you for your consideration of our views.

Sincerely,

David Minge, M.C.

Robert Andrews, M.C.

Carolyn McCarthy, M.C.

Bill Luther, M.C.

Calvin Dooley, M.C.

Julia Carson, M.C.

Bob Filner, M.C.

Bill Lipinski, M.C.

Owen Pickett, M.C.

Norman Sisisky, M.C.

Steven Rothman, M.C.

John Murtha, M.C.

Paul McHale, M.C.

Marion Berry, M.C.

W.G. Hefner, M.C.

Tim Holden, M.C.

Loretta Sanchez, M.C.

Allen Boyd, M.C.

Vic Snyder, M.C.

Ellen Tauscher, M.C.

Nick Rahall II, M.C.

Max Sandlin, M.C.

Bart Gordon, M.C.

Bob Etheridge, M.C.

Mike McIntyre, M.C.

Leonard Boswell, M.C.

Jim Turner, M.C.

Pat Danner, M.C.

David Price, M.C.

William Delahunt, M.C.

Karen McCarthy, M.C.

Karen Thurman, M.C.

Bob Clement, M.C.

Bill Pascrell, Jr., M.C.

Bud Cramer

Robert Cramer, Jr., M.C.

News Clipping

National Legal Aid & Defender Association (202) 452-0620

The Washington Post Date June 27, 1997 Page Editorial

"THE COURT DIDN'T SAY ANYTHING ABOUT THIS"

AMERICAN BAR ASSOCIATION

NEWS RELEASE

Release: Embargoed for AM Papers Friday, Aug. 1
Online: www.abanet.org/media/news.html

Contact: Nancy Cowger Slonim
Phone: 312/988-6132
E-mail: slonimn@staff.abanet.org

CONGRESS SHOULD LISTEN TO AMERICAN PUBLIC AND PRESERVE LEGAL SERVICES: ABA PRESIDENT COOPER

WASHINGTON, D.C., Aug. 1 -- "Congress should listen to the American public and preserve the Legal Services Corporation," urged American Bar Association President N. Lee Cooper in remarks prepared for delivery at a Friday news conference. Cooper was to release results of a public opinion poll that showed people strongly support spending federal tax dollars on the program.

In anticipation of a House of Representatives floor vote that will determine the fate of the federal program funding civil legal assistance for Americans in poverty, Cooper said, "A Louis Harris & Associates poll showed 70 percent of the American people believe federal dollars should be used to pay for civil legal aid to the poor in cases such as child custody, adoption and divorce."

"Using federal dollars to save access to legal aid for poor people is one of the few issues on which the public is united. Our representatives in Congress can support this program confident that they are carrying out the will of their voters," said Cooper.

-more-

LISTEN, Add One

The House Appropriations Committee, with jurisdiction over Legal Services Corporation funding, voted earlier this month to cut LSC funding by 50 percent, on top of a 33 percent reduction last year.

"The people have spoken. Now the House should comply, and restore desperately needed federal funds to preserve what the public wants — access of poor people to a legal system created for and vital to us all," said Cooper.

"Without this access, only the rich own the key to the courthouse door in America. Justice should not be for sale to the highest bidder. Congress must restore funding to the Legal Services Corporation to ensure dignity for the poor, but also the dignity of our justice system," he said.

-30-

lsc797a.wpd

RESULTS OF A POLL BY
LOUIS HARRIS & ASSOCIATES
CONDUCTED JULY 1997

Currently, people accused of a crime who cannot afford an attorney are guaranteed a court appointed attorney. Do you believe federal funding should be provided to low income people who need assistance in civil cases, such as child custody, adoption, divorce, or not?

Yes, funding should be provided	70
No, funding should not be provided	29
DK	2
Refused	*

Would you support spending a dollar and a half of taxpayer dollars per person a year to fund this program?

Yes, would support	61
No, would not support	36
DK	3
Refused	*

ABA AMERICAN BAR ASSOCIATION

NEWS RELEASE

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Less Legal Service Cases Expected

By KAREN GULLO Associated Press Writer

WASHINGTON (AP) -- The federally funded agency that provides free legal aid for poor Americans overstated the number of cases it handled in 1997 by tens of thousands, drawing the ire of lawmakers who rely on the figures to decide how much money to give the program.

Legal Services Corp., a target of Republican budget cuts, says it has cleared up local bookkeeping errors and as a result expects to report 200,000 fewer cases to Congress for 1998 -- a 10 percent drop from the previous year's inflated figure.

House Majority Leader Dick Armey of Texas, a longtime critic, called the overcounting ``the grossest example of Washington bureaucrats abusing hard-earned taxpayer money."

Legal Services President John McKay acknowledges the 1997 count was ``slightly off," and will be adjusted in hindsight. But he says the agency wasn't intentionally misleading.

``It's not significant in terms of overall cases and services we are providing," said McKay, a Republican elected by the bipartisan board two years ago. ``If anything, we're underreporting the services we provide."

The agency didn't have enough information to alert Congress that there was a problem until just two months ago, officials said.

Legal Services reported serving 1.93 million clients in 1997. But a review of just five of the agency's 269 regional programs found officials had overstated their caseload by at least 90,000.

As a result of improved counting methods, the agency expects to report 1.73 million cases for 1998.

Reports by Legal Services' inspector general, the agency's internal watchdog, and other documents obtained by The Associated Press provide a more detailed picture of the overcounting.

Documents showed problems in at least five regional programs. They included telephone calls from people who did not get legal help or were ineligible for assistance that were reported as new cases, cases that were double-counted and counting of outdated cases.

A group in Lakeland, Fla., serving rural areas reported 44,993 new cases -- eight times the 5,500 valid cases it actually worked, officials said. Peter Helwig, executive director, blamed a computer error for most of the problems.

About 70 percent of nearly 73,000 closed cases recorded by regional programs in San Francisco, San Diego, Miami, and northern Virginia, were not valid, officials found.

For example, the Legal Aid Society of San Diego misreported more than 14,000 telephone calls as cases, an audit found. San Diego executive director Gregory Knoll said, however, that ``every caller has their problem assessed" even if they don't receive legal advice.

Legal Services, a nonprofit corporation, provides federal grants to local agencies that provide legal assistance to low-income Americans who need help with civil cases such as tenant problems or court protection from domestic violence. Congressional Republicans slashed the program's money by 30 percent in 1996.

Legal Services handed out $283 million taxpayer money to local programs last year, and its funding was increased to $300 million in 1999.

The extent of overcounting at Legal Services' outlets nationwide is unclear. The agency is in the process of checking a handful of the other 269 programs that received funding in 1997, and so far overcounting elsewhere is less severe, Legal Services inspector general Edouard Quatrevaux said.

Legal Services officials say they are fixing the problems, which they blamed on out-of-date policies for counting cases and sloppy bookkeeping.

And McKay noted that Legal Services helps many more people than are recorded as actual cases. The agency doesn't collect statistics on people who receive assistance other than legal advice over the phone such as referrals and educational seminars or as a result of a family member getting legal help.

``When you're helping a battered woman, you are probably helping her one to three children and bringing justice to their lives," McKay said.

Officials say the agency inspector general first learned as early as February 1998 that some regional offices had overcounted. Some Congress members want to know why they weren't informed until a year later, which was months after lawmakers had already approved the agency's 1999 budget.

Rep. Tom Latham, R-Iowa, a member of the House Appropriations subcommittee that oversees Legal Services, questioned whether the inspector general adhered ``to even the spirit" of his duties.

Quatrevaux, the inspector general, said he didn't have enough information to report the problems until February, when he briefed the subcommittee staff, and to have done so before would have ``premature."

□AP-NY-04-07-99 1323EDT

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04/07

Legal Services overstates aid to poor

Will report 200,000 fewer cases for '98

ASSOCIATED PRESS

The federally funded agency that provides free legal aid for poor Americans overstated the number of cases it handled in 1997 by tens of thousands, drawing the ire of lawmakers who rely on the figures to decide how much money to give the program.

Legal Services Corp., a target of Republican budget cuts, says it has cleared up local bookkeeping errors and as a result expects to report 200,000 fewer cases to Congress for 1998 — a 10 percent drop from the previous year's inflated figure.

House Majority Leader Dick Armey of Texas, a longtime critic, called the overcounting "the grossest example of Washington bureaucrats abusing hard-earned taxpayer money."

Legal Services President John McKay acknowledges the 1997 count was "slightly off," and will be adjusted in hindsight. But he says the agency wasn't intentionally misleading.

"It's not significant in terms of overall cases and services we are providing," said Mr. McKay, a Republican elected by the bipartisan board two years ago. "If anything, we're underreporting the services we provide."

Legal Services reported serving 1.93 million clients in 1997. But a review of just five of the agency's 269 regional programs found officials had overstated their caseload by at least 90,000.

As a result of improved counting methods, the agency expects to report 1.73 million cases for 1998.

Reports by Legal Services' inspector general, the agency's internal watchdog, and other documents obtained by the Associated Press provide a more detailed picture of the overcounting.

Documents showed problems in at least five regional programs. They included telephone calls from people who did not get legal help or were ineligible for assistance that were reported as new cases, cases that were double-counted and counting of outdated cases.

A group in Lakeland, Fla., serving rural areas reported 44,993 new cases — eight times the 5,500 valid cases it actually worked, officials said. Peter Helwig, executive director, blamed a computer error for most of the problems.

About 70 percent of nearly 73,000 closed cases recorded by regional programs in San Francisco, San Diego, Miami, and Northern Virginia, were not valid, officials found.

For example, the Legal Aid Society of San Diego misreported more than 14,000 telephone calls as cases, an audit found. San Diego Executive Director Gregory Knoll said, however, that "every caller has their problem assessed" even if they don't receive legal advice.

Legal Services, a nonprofit corporation, provides federal grants to local agencies that provide legal assistance to low-income Americans who need help with civil cases such as tenant problems or court protection from domestic violence. Congressional Republicans slashed the program's money by 30 percent in 1996.

Legal Services handed out $283 million in taxpayer money to local programs last year, and its funding was increased to $300 million in 1999.

Officials say the agency inspector general first learned as early as February 1998 that some regional offices had overcounted. Some members of Congress want to know why they weren't informed until a year later, which was months after lawmakers had already approved the agency's 1999 budget.

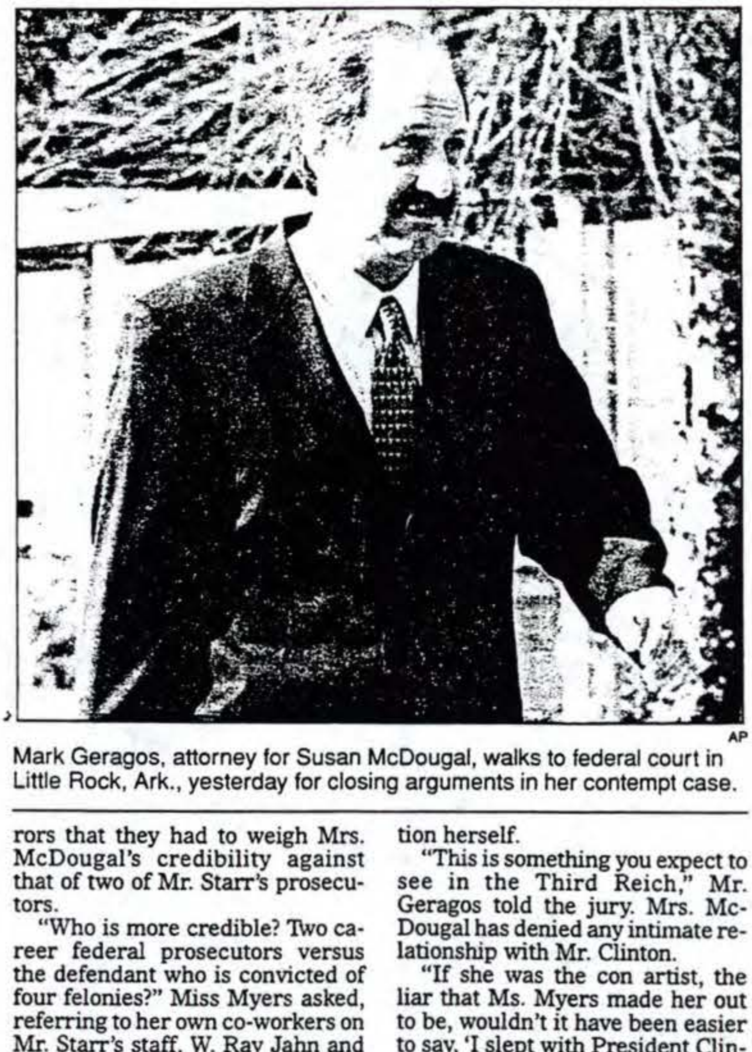
Rep. Tom Latham, Iowa Republican and a member of the House Appropriations subcommittee that oversees Legal Services, questioned whether the inspector general adhered "to even the spirit" of his duties.

Edouard Quatrevaux, the inspector general, said he didn't have enough information to report the problems until February, when he briefed the subcommittee staff.

The Washington Times
THURSDAY, APRIL 8, 1999

Starr's tactics rapped at trial

McDougal defense invokes Third Reich



AP

Mark Geragos, attorney for Susan McDougal, walks to federal court in Little Rock, Ark., yesterday for closing arguments in her contempt case.

LITTLE ROCK, Ark. (AP) — The trial of President Clinton's former business partner, Susan McDougal, neared its close yesterday with her attorney comparing independent counsel Kenneth W. Starr's tactics to the Third Reich.

Jury deliberations are expected to begin today.

In closing arguments, defense attorney Mark Geragos mocked testimony from Whitewater prosecutors who said they only wanted the truth from Mrs. McDougal and were not out to get the president.

"It's something so offensive for them to say with a straight face they wanted to look to see if they could clear the president. How dumb do they think we are?" he asked. Mr. Geragos added later: "Their goal is to crush everything between them and President and Mrs. Clinton."

Throughout the five-week trial, Mrs. McDougal's defense has been attacking the independent counsel's office. Mrs. McDougal, charged with twice refusing to answer questions before a federal grand jury, testified that she feared prosecutors would charge her with perjury if she told the truth and did not implicate the Clintons.

Outside the courthouse, prosecutors noted "there are lingering questions" in the Whitewater investigation even though Mrs. McDougal answered some of the questions related to the Clintons. However, prosecutor Mark Barrett added, "In terms of Mr. and Mrs. Clinton, I heard nothing that would have tended to show wrongdoing."

Prosecutor Julie Myers told jurors that they had to weigh Mrs. McDougal's credibility against that of two of Mr. Starr's prosecutors.

"Who is more credible? Two career federal prosecutors versus the defendant who is convicted of four felonies?" Miss Myers asked, referring to her own co-workers on Mr. Starr's staff, W. Ray Jahn and Hickman Ewing, who testified in the trial.

She portrayed Mrs. McDougal, who was convicted of fraud for her role in the Whitewater case, as a chronic liar and publicity seeker who reveled in telling a phony story of persecution in TV interviews.

"She craved the spotlight. She enjoyed the attention. And that was probably her real reason for not testifying, not those lame excuses," Miss Myers told jurors.

Mrs. McDougal, who was convicted of four Whitewater-related felonies in 1996, testified that her former husband, James McDougal, later urged her to say she had sex with the president in order to mollify prosecutors eager to get Mr. Clinton for something and thereby escape further prosecution herself.

"This is something you expect to see in the Third Reich," Mr. Geragos told the jury. Mrs. McDougal has denied any intimate relationship with Mr. Clinton.

"If she was the con artist, the liar that Ms. Myers made her out to be, wouldn't it have been easier to say, 'I slept with President Clinton?'" Mr. Geragos asked. "She could have gotten on any talk show she wanted."

He also noted that Mrs. McDougal already has served 18 months in jail for civil contempt because of her refusal to "become a tool for out-of-control prosecutors."

Miss Myers said the suggestion that prosecutors wanted Mrs. McDougal to reveal a relationship with the president was an "inflammatory allegation, an astounding allegation, an allegation that's absolutely unbelievable."

The accusation that prosecutors pressured her to implicate the Clintons only can be considered in relation to the obstruction charge, not the other two counts, U.S. District Judge George Howard ruled Tuesday in approving written instructions to the jury.

The Washington Times
THURSDAY, APRIL 8, 1999

Legal Services Corporation
LSC

750 First Street, NE
Washington, D.C. 20002-4250
202-336-8800 202-336-8959 (Fax)
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Writer's Direct Telephone
(202) 336-8891

E-Mail hoganj@lsc.gov

April 9, 1999

Melanne Verveer
Chief of Staff to the First Lady

Dear Melanne,

Attached is a paper summarizing the conclusions of the Legal Services Corporation (LSC) with respect to the purchase of a building. Our Chairman, Doug Eakeley asked that I forward this to you in advance of our meeting on April 16th.

If you have any questions or desire any additional information, please do not hesitate to contact me.

James J. Hogan
Vice President for Administration

cc: Jacob J. Lew
Charles Ruff

Legal Services Corporation Building Proposal

- The Legal Services Corporation (LSC) proposes to build a building of about 65,000 sq.ft. which would cost an estimated $19.5 million ($300/sq ft). The financial case for ownership is clear and compelling. Our preferred approach would require LSC to raise approximately $4.875 million in private funding and have a balance of $14.625 million to finance. If this balance was financed at 6% and 20,000 sq.ft. was subleased, our annual cost would be approximately $1.377 million, which is the corporations current occupancy cost.

- Since the current lease expires in May 2002, it is necessary to consider now what options LSC will have. A feasibility study was conducted in May 1998 by CB Richard Ellis Commercial Real Estate Firm, who were retained to assist with a buy/build decision or to renegotiate the current lease. The conclusion of that study was that a Building financed with Industrial Revenue Bonds sponsored by the District of Columbia would be the most economical long-term solution.

- If no action is taken, it is conservatively projected that the average annual occupancy cost at the present site will rise from $1.3 million to $1.7 million by the year 2007. One primary objective in owning is to freeze occupancy costs at a lessor amount out into the future and to have a permanent location rather than moving periodically in order to avoid significant housing cost increases. It is thought this would also add to the sense of pride and professionalism within the company. It would also send a message that access to Civil Legal Services for the economically disadvantaged in America is a permanent priority.

- OMB professional staff has advised that it is the policy of the Government for an acquisition that has any risk of default to the US Government to be counted as a purchase in the Budgetary scorekeeping process. Even where a separate corporation is formed to hold the property and the entity in question is in a position to control the Board of new corporation, the transaction would be normally considered a purchase under the Circular A-11 guidelines used by OMB. However, LSC is unusual in that it is a distinct 501(c)3 corporation incorporated in the District of Columbia by Congressional action.

- In order to fully analyze the position of the corporation as an entity, Arent Fox was retained to explore the law where an independent non-profit Corporation funded by the Government is seeking to acquire property. The results of this February 1999 research have been provided to the professional staff of OMB and conclude that our recommended approach does not require OMB scoring.

- The legal opinion dated February 12, 1999, of Arent Fox recommends in favor of the formation of "Friends of The Legal Services Corporation" or any similar support structure to pursue ownership. The Friends' Board structure would have at least three

LSC employees (e.g., the President, Treasurer and General Counsel) on the Board with those officers being replaced with their successors at LSC.

- The lease would be structured to stay within the guidelines of OMB where there are concerns about how much of the acquisition would be paid by LSC and with a term less than 75% of the useful life. (This being done to satisfy the scoring rules.)

- LSC, through the Friends corporation would raise approximately $5 mil as a down payment. An alternative would be for a private group, Foundation or sponsoring Corporation to simply guarantee the loan of the Corporation.

- The financing of the purchase would be with tax-exempt debt through the District of Columbia provided that the site meets the requirements. This would require that there be no recourse to the Government. The LSC Act provides that it will not be considered a department, agency or instrumentality of the federal government. The Legal opinion rendered suggests that the rent would be structured so that in the absence of a federal appropriation, LSC could terminate the lease without any liability to LSC to pay damages.

Legal Services Corporation

LSC

OFFICE OF GOVERNMENTAL RELATIONS AND PUBLIC AFFAIRS

MEMORANDUM

TO: **Melanne Verveer**

FROM: **Mauricio Vivero**

DATE: **April 8, 1999**

SUBJECT: **CSR Talking Points**

Attached please find the Associated Press story on the CSR issue, two recent letters by Rep. Armey, an "April Fools" letter sent by the National Legal and Policy Center, and our talking points covering the major points raised .

Thank you for your help. Please call me at (202) 336-8862 if you have any questions.

Legal Services Corporation
LSC

750 First Street, NE
Washington, D.C. 20002-4250
202-336-8800 202-336-8959 (Fax)
www.lsc.gov

April 8, 1999
FOR IMMEDIATE RELEASE

Contact: Mauricio Vivero (202) 336-8862
Susan Myers (202) 336-8815

STATEMENT ON *CASE REPORTING SYSTEM*

- **The overwhelming majority of programs report CSR data correctly; the national impact of the CSR issue is very minor.** The overall percentage (out of 1.46 million closed cases) of activities that were incorrectly reported is relatively small and involved only a small number of programs. After accounting for revisions submitted voluntarily by programs, LSC has revised its figure to 1.42 million closed cases for 1997. LSC's preliminary data shows that grantees will report approximately 1.33 million closed cases for 1998. Furthermore, the recipients that were audited by the Inspector General were not randomly selected. To extrapolate a national pattern of overcounting from a handful of audits is a gross example of overkill for political gain.

- **The LSC Inspector General has not reported *any* evidence of fraud or abuse of federal funds.** Rather, the Inspector General attributed the errors to failure to follow LSC reporting guidance, weaknesses in grantee management controls, and problems with automated systems. To ensure the accuracy of grantee reports, LSC Management and the OIG will continue to conduct on-site visits during 1999 to examine the reporting of 1998 cases.

- **LSC recipients have no incentive to deliberately over-report CSR data.** CSR information is not used as the basis for determining funding levels to LSC grantees. LSC funding is based entirely on a Congressionally imposed census-based formula, which provides funding according to the number of low-income persons living within a service area.

- **LSC is working aggressively to develop better and more complete ways to track and record important activities that are not currently reported through the CSR data collection system.** The CSR system captures data only on activities that fit within the definition of "cases." LSC grantees engage in a wide range of non-case related activities that are very important to low-income Americans who need help with legal problems, including preventive community legal education, assistance to individuals who are handling their legal problems *pro se*, and referrals to legal and non-legal service organizations. The expanded use of hotlines also represents an important activity that provides helpful information to thousands of additional clients, but may not meet the definition of a "case." We are working to study the issue to encourage the best use of technology to serve the maximum number of clients **and** accurately record this type of service.

- **LSC has revised its instructional handbook on case reporting to clarify to programs what types of information they should be reporting.** In November 1998, LSC issued its revised handbook which contained new guidance on the following: types of services which can properly be reported as cases, proper treatment of referrals, timely closing of cases, and elimination of duplicate cases.

Legal Aid Programs Overstated Cases

By KAREN GULLO Associated Press Writer

WASHINGTON (AP) -- A government program that pays for legal aid for the poor, a target of Republican budget cuts, overstated to Congress the number of cases it handled in 1997 by tens of thousands, audits and documents show.

One office reported eight times as many new cases as it should have.

The Legal Services Corp. says it has made significant changes in the way it counts the people it helps and as a result expects its 1998 total to drop by more than 200,000 cases.

The tally of people who received free help is one of the criteria Congress considers when appropriating money for Legal Services, and Republicans, some of whom have tried to abolish the program, question whether they were misled.

House Majority Leader Dick Armey, R-Texas, a longtime critic, called the overcounting ``the grossest example of Washington bureaucrats abusing hard-earned taxpayer money."

Legal Services reported serving 1.93 million clients in 1997. But a review of just five of the agency's 269 regional programs found officials had overstated their caseloads by 90,000.

President John McKay acknowledges the 1997 count was ``slightly off" and will be adjusted. He says the agency wasn't intentionally misleading and better counting methods have been implemented. As a result, the agency expects to report about 1.73 million cases for 1998.

Officials said they didn't have enough information about the problem to alert Congress until just two months ago.

Reports by Legal Services' inspector general, the agency's internal watchdog, and other documents obtained by The Associated Press provide a more detailed picture of the overcounting.

Documents showed problems in at least five regional programs, including telephone calls from people who did not get legal help or were ineligible for assistance that were reported as new cases, cases that were double-counted and outdated cases that were counted.

About 70 percent of nearly 73,000 closed cases recorded by regional programs in San Francisco, San Diego, Miami and northern Virginia were not valid, officials found.

For example, the Legal Aid Society of San Diego incorrectly reported more than 14,000 telephone calls as cases, an audit found. San Diego executive director Gregory Knoll said, however, that even if every caller doesn't receive legal advice, ``every caller has their problem assessed."

A group in Lakeland, Fla., serving rural areas, reported 44,993 new cases -- eight times the 5,500 valid cases it actually worked, officials said. Peter Helwig, executive director, blamed a computer error for most of the problems.

Legal Services, a nonprofit corporation, provides federal grants to local agencies that provide legal assistance to low-income Americans who need help with civil cases such as resolving tenant problems or seeking protection from domestic violence. Congressional Republicans slashed the program's money by 30 percent in 1996.

Legal Services handed out $283 million in taxpayer money to local programs last year. Funding was increased to $300 million for 1999.

Legal Services bases its grants to local agencies on the number of poor people in the area and not the number of cases. But lawmakers in Congress consider the caseload in determining funding for the program.

The extent of overcounting at Legal Services' outlets nationwide is unclear. The agency is in the process of checking a handful of the other 269 programs that received funding in 1997, and so far overcounting elsewhere is less severe, Legal Services inspector general Edouard Quatrevaux said.

Legal Services officials say they are fixing the problems, which they blamed on out-of-date policies for counting cases and sloppy bookkeeping.

``It's not significant in terms of overall cases and services we are providing," said McKay, a Republican elected president by the bipartisan board two years ago. ``If anything, we're underreporting the services we provide." McKay said the agency doesn't collect statistics on people who receive assistance other than legal advice, such as referrals, over the phone, or those who are assisted through educational seminars or as a result of a family member getting legal help.

``When you're helping a battered woman, you are probably helping her one to three children and bringing justice to their lives," McKay said.

Officials say the agency inspector general learned as early as February 1998 that some regional offices had overcounted. Some congressmen want to know why they weren't informed until a year later, months after lawmakers had approved the agency's 1999 budget.

Rep. Tom Latham, R-Iowa, a member of the House Appropriations subcommittee that oversees Legal Services, questioned whether the inspector general adhered ``to even the spirit" of his duties.

Quatrevaux, the inspector general, said he didn't have enough information to report the problems until February, when he briefed the subcommittee staff, and to have done so earlier would have been ``premature."

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04/07

CONGRESSMAN DICK ARMEY
26TH DISTRICT, TEXAS

MAJORITY LEADER

Attn:
John McKay

Congress of the United
House of Representati
Washington, DC 20515-6502

April 1, 1999

Armey: LSC Deceit Is No Joke

Dear Republican Colleague,

Which of these is not an April Fools joke?

a). Al Gore invented the Internet
b). The Dow never really broke 10,000
c). Legal Services Corporation reports fake cases

Unfortunately, the answer is c. A recent report by the LSC Inspector General found massive deception and abuse by the LSC. According to the report, obtained by Congressman Tom Latham, many LSC cases might not even exist:

> "The 1997 Grant Activity Report submitted by the grantee significantly overstated the cases closed during the year and understated the cases remaining open at year end. Most of the overstatement resulted from the practice of counting and reporting as cases very brief telephone contacts where no legal service was provided and no eligibility checks were performed. Additional overstatements resulted from reporting: (1) non-LSC funded Private Attorney Involvement cases, (2) cases that did not exist, and (3) some duplicate cases." *(Source: Office of the Inspector General, Legal Aid Society of San Diego Recipient No. 805250, AU99-012, March 1999.)*

Incredibly, the LSC is reporting the same cases more than once and some that don't even exist! This is the grossest example of Washington bureaucrats abusing hard-earned taxpayer money. Rep. Latham has been watching the LSC closely and has vowed to look into the reported waste and possible abuse.

So what did LSC do with the millions of dollars they saved from these phantom cases? It seems their directors have an affinity for tropical getaways. During the past few months, the LSC Board of Directors held a meeting at the Eden Roc Resort and Spa in Miami (where rooms run $250 - $750 a night) and the LSC held a conference at the Caribe Hilton, a luxury casino and resort in Puerto Rico.

I have to wonder how many underprivileged Americans seeking legal services would appreciate this horrible, yet very real April Fools Joke.

Sincerely,

Dick

DICK ARMEY

170

CONGRESSMAN DICK ARMEY
26TH DISTRICT, TEXAS

MAJORITY LEADER

H-329 The Capitol
Washington, DC 20515
(202) 225-4000

Congress of the United States
House of Representatives
Washington, DC 20515–6502

April 6, 1999

LSC: The Phantom Menace

Dear Colleague,

According to a recent report by the Legal Services Corporation's Inspector General, the Legal Aid Society (LAS) of San Diego, which receives over 70% of their budget from the LSC, fabricated over 22,000 cases. That is 68% of their total caseload.

For example LAS billed taxpayers over 14,000 "Referrals Without Legal Assessment," calls that came in and were immediately referred to other legal service providers in the area. As the IG's report explained:

> The grantee should have reported 10, 279, instead of 32,304, closed cases. The closed cases were significantly overstated because the grantee reported (1) a large number of referrals that should not have been reported as cases, (2) Private Attorney Involvement cases that were not funded by LSC, (3) non-existent cases resulting from clerical errors, and (4) duplicate cases. The following chart shows the number of overstated cases by history.

[illegible]	
Referrals Without Legal Assessment	14,398
Non-LSC Funded Private Attorney Involvement	4,700
Non-Existent Cases	2,692
Duplicates	235
Total	**22,025**

I'm sure you agree that this blatant fraud and abuse must be addressed immediately. The American taxpayers deserve more. If you are interested in obtaining the IG's report, visit the LSC website at *oig.lsc.gov*.

Respectfully,

Dick Armey

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. list	re: Legal Services Board of Directors (1 page)	04/16/1999	b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Melanne Verveer
OA/Box Number: 20040

FOLDER TITLE:

Legal Services

2013-0534-S
rc1665

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. memo	Bob Nash to Larry Stein re: non-selection (1 page)	04/14/1999	b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Melanne Verveer
OA/Box Number: 20040

FOLDER TITLE:

Legal Services

2013-0534-S
rc1665

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003. letter	Mike DeWine to the White House re: constituent's nomination (1 page)	04/06/1999	b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Melanne Verveer
OA/Box Number: 20040

FOLDER TITLE:

Legal Services

2013-0534-S
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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. profile	re: non-selection (1 page)	03/26/1999	b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Melanne Verveer
OA/Box Number: 20040

FOLDER TITLE:

Legal Services

2013-0534-S
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Legal Services Corporation Building Proposal

- The Legal Services Corporation (LSC) proposes to build a building of about 65,000 sq.ft. which would cost an estimated $19.5 million ($300/sq ft). The financial case for ownership is clear and compelling. Our preferred approach would require LSC to raise approximately $4.875 million in private funding and have a balance of $14.625 million to finance. If this balance was financed at 6% and 20,000 sq.ft. was subleased, our annual cost would be approximately $1.377 million, which is the corporations current occupancy cost.

- Since the current lease expires in May 2002, it is necessary to consider now what options LSC will have. A feasibility study was conducted in May 1998 by CB Richard Ellis Commercial Real Estate Firm, who were retained to assist with a buy/build decision or to renegotiate the current lease. The conclusion of that study was that a Building financed with Industrial Revenue Bonds sponsored by the District of Columbia would be the most economical long-term solution.

- If no action is taken, it is conservatively projected that the average annual occupancy cost at the present site will rise from $1.3 million to $1.7 million by the year 2007. One primary objective in owning is to freeze occupancy costs at a lessor amount out into the future and to have a permanent location rather than moving periodically in order to avoid significant housing cost increases. It is thought this would also add to the sense of pride and professionalism within the company. It would also send a message that access to Civil Legal Services for the economically disadvantaged in America is a permanent priority.

- OMB professional staff has advised that it is the policy of the Government for an acquisition that has any risk of default to the US Government to be counted as a purchase in the Budgetary scorekeeping process. Even where a separate corporation is formed to hold the property and the entity in question is in a position to control the Board of new corporation, the transaction would be normally considered a purchase under the Circular A-11 guidelines used by OMB. However, LSC is unusual in that it is a distinct 501(c)3 corporation incorporated in the District of Columbia by Congressional action.

- In order to fully analyze the position of the corporation as an entity, Arent Fox was retained to explore the law where an independent non-profit Corporation funded by the Government is seeking to acquire property. The results of this February 1999 research have been provided to the professional staff of OMB and conclude that our recommended approach does not require OMB scoring.

- The legal opinion dated February 12, 1999, of Arent Fox recommends in favor of the formation of "Friends of The Legal Services Corporation" or any similar support structure to pursue ownership. The Friends' Board structure would have at least three

LSC employees (e.g., the President, Treasurer and General Counsel) on the Board with those officers being replaced with their successors at LSC.

- The lease would be structured to stay within the guidelines of OMB where there are concerns about how much of the acquisition would be paid by LSC and with a term less than 75% of the useful life. (This being done to satisfy the scoring rules.)

- LSC, through the Friends corporation would raise approximately $5 mil as a down payment. An alternative would be for a private group, Foundation or sponsoring Corporation to simply guarantee the loan of the Corporation.

- The financing of the purchase would be with tax-exempt debt through the District of Columbia provided that the site meets the requirements. This would require that there be no recourse to the Government. The LSC Act provides that it will not be considered a department, agency or instrumentality of the federal government. The Legal opinion rendered suggests that the rent would be structured so that in the absence of a federal appropriation, LSC could terminate the lease without any liability to LSC to pay damages.

Changes Affecting Legal Services
Administration on Aging Proposal to Reauthorize the Older Americans Act

A bill to reauthorize the Older Americans Act, 42 U.S.C. 3001 et seq., was announced by the Administration on Aging on April 2, 1999. While described by AoA as a straight reauthorization that "streamlines" the law's language, it actually proposes several changes that either eliminate or weaken the operation of legal assistance programs for older Americans. Similar proposals made prior to 1993 were successfully defeated. The full bill appears on the AoA web site at www.aoa.gov/Oaa/1999/oaaproposal.html.

National Legal Services Support Funding

Current law requires AoA to maintain a national legal assistance support system by grant or contract that supports legal assistance through case consultations, training, substantive legal help and delivery design (Section 424, 42 U.S.C. 3035c).

The AoA proposal eliminates this section without replacement.

Funding of Legal Assistance

Current law designates legal assistance as a priority service under Title III. It requires each state to specify a "minimum percentage" of Title III-B funds that an area agency must spend to provide it.

The AoA proposal retains the "minimum percentage" provision but would require a state first to evaluate the need for legal assistance and other services, including the extent to which the need already is met. In addition, AoA would require states to consider volunteers and voluntary organizations as existing resources.

Cost-Sharing

Current law permits solicitation of voluntary contributions toward the cost of nutrition services, and regulations permit voluntary contributions for other services.

The AoA proposal would allow states to require contributions for services (above a low-income threshold set by a state). Legal assistance is not included among certain services exempt from the requirement.

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005a. memo	Bob J. Nash to Chuck Ruff re: Board of Directors Legal Services Corporation (1 page)	05/04/1999	b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Melanne Verveer
OA/Box Number: 20040

FOLDER TITLE:

Legal Services

2013-0534-S
rc1665

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005b. articles	re: non-selection (7 pages)	06/22/1998	b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Melanne Verveer
OA/Box Number: 20040

FOLDER TITLE:

Legal Services

2013-0534-S
rc1665

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- **P1 National Security Classified Information [(a)(1) of the PRA]**
- **P2 Relating to the appointment to Federal office [(a)(2) of the PRA]**
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- **C. Closed in accordance with restrictions contained in donor's deed of gift.**
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- **RR. Document will be reviewed upon request.**

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- **b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]**

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005c. memo	Stacy Reynolds to Dorian V. Weaver re: Issue Vet (2 pages)	07/20/1998	b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Melanne Verveer
OA/Box Number: 20040

FOLDER TITLE:

Legal Services

2013-0534-S
rc1665

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
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P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
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b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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FACSIMILE COVER SHEET

FROM:	Douglas S. Eakeley	Date	June 24, 1999
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TO:	Ms. Melanne Verveer	FACSIMILE NO.: VOICE NO.:	202-456-6244 202-456-6266
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TO:	Charles F. C. Ruff, Esq	FACSIMILE NO.: VOICE NO.:	202-456-6279 202-456-2632
TO:		FACSIMILE NO.: VOICE NO.:	
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John McKay
President

June 23, 1999

The Honorable Harold Rogers
Subcommittee on Commerce, Justice, State and the Judiciary
Committee on Appropriations
H-309 Capitol Building
Washington, DC 20515

Dear Chairman Rogers:

I am writing to follow up on issues raised by the Subcommittee regarding the Legal Services Corporation's (LSC) Case Service Reporting (CSR) system. This is the system by which LSC grantees report information to LSC about cases they have handled during the annual reporting period. LSC management understands that accurate information on grantee activities is essential for both LSC and Congressional oversight roles.

Background on CSR

LSC's CSR system compiles information about activities that fit within the LSC definition of a "case." Programs report the number of cases closed within a particular year, classifying them by type (e.g., employment, housing, income maintenance and family matters) and by closure categories (e.g., counsel and advice, brief services, negotiated settlement with or without litigation, administrative agency decision, and court decision).

LSC developed the CSR system almost twenty years ago and had not made significant revisions since its inception. In November 1998, realizing the old system did not comprehensively capture some of the very worthwhile activities being conducted by programs and that its previous guidance may not have been clear, LSC issued a revised CSR Handbook. The revised handbook contains new direction concerning the proper treatment of referrals, the timely closing of cases, and the elimination of duplicate cases. LSC will be further revising this system in the near future to include other important legal activities, such as community education.

LSC Management Response and Office of Inspector General (OIG) Audits

In May 1998, LSC issued an instructional letter to programs clarifying the CSR system, then subsequently issued the revised CSR Handbook. With the exception of two of the new requirements, grantees were not required to implement the revised guidelines until they began the collection of 1999 data. The 1999 reports, to be submitted in early 2000, will reflect the revised procedures. In addition, LSC is requiring all grantees to perform a self-assessment of their CSR data and report the results by July 1st. As part of the assessment each executive director is required to certify the accuracy of the program's 1998 CSR data. We expect that at least some programs will not be able to certify that their 1998 CSR data is substantially accurate.

The OIG has issued four audit reports (Legal Aid Society of San Diego, Northern Virginia Legal Services, Legal Services of Greater Miami, and Prairie State Legal Services) on 1997 CSR data. The OIG anticipates that it will issue two additional audit reports (Legal Action of Wisconsin and Gulf Coast Legal Foundation) on 1997 CSR data in July. The OIG is currently auditing the 1998 CSR data and the current CSR systems of an additional six grantees. These grantees were selected because of the large number of closed cases they reported. The Inspector General will report the results of these audits to Congress and the Subcommittee.

Based on revised statistics voluntarily submitted by several programs, some of which had been audited by the OIG, LSC reduced its official number of closed cases for 1997 from approximately 1.46 million to 1.42 million. Additional audits of 1997 case statistics probably would have led to further revisions of the 1997 figure, but LSC management and the OIG have turned their attention to the reporting of 1998 case statistics. The 1998 figure is still being compiled because a number of grantees have voluntarily revised their 1998 reports since their initial submission. We expect more grantees to submit revised 1998 case statistics as a result of the ongoing self-inspection of 1998 CSR data.

It is important to note the Inspector General has stated he did not find any evidence of fraud, misuse of federal resources, or deliberate over counting of cases by any program. Rather, the OIG attributed the incorrect numbers to failures to follow LSC guidance, weaknesses in grantee management controls, and problems with automated case management systems. The programs, in coordination with the OIG and LSC management, are working on correcting these basic causes of CSR reporting problems.

Uses of CSR Data

As you pointed out in our FY 2000 budget hearing, LSC grantees have no financial incentive to over-report closed cases since there is no direct correlation between cases closed and the amount of an LSC grant. Instead, LSC awards grants based on the poverty population in a service area, as determined by the U.S. Census.

As you know, LSC reports CSR data in its annual budget request, giving Congress an overview of how federal dollars serve our low-income community. The data is used as one performance measure in the Corporation's performance plan pursuant to the Government Performance and Results Act. It is also used to compile the LSC Fact Book, which is sent to Congress, the public and the media.

LSC is committed to ensuring that Congress receives the most accurate information concerning the work of legal services grantees. I look forward to working with the Subcommittee to resolve any concerns over this issue.

Sincerely,

John McKay
President

I had dinner with Chief Justice and Mrs. Lambert in Louisville last week - they said yours was a wonderful wedding. Congratulations!

Legal Services Corporation

LSC

OFFICE OF GOVERNMENTAL RELATIONS & PUBLIC AFFAIRS

MEMORANDUM

TO: Melanne Verveer

FROM: John McKay

DATE: June 23, 1999

SUBJECT: LSC Statement on GAO Audit Findings

As you know, the GAO has been asked to conduct an audit of several of our program's 1997 case reporting data. We have been briefed by the GAO regarding the preliminary findings of the first five completed audits. These audits were conducted in New York, Baltimore, Los Angeles, Chicago, and Puerto Rico.

We believe that this will be a central issue when the appropriation for LSC is considered this year. We are sending you a copy of our statement on this matter. Please call me if you have any questions at 336-7265.

Thanks, Melanne -- see you soon re 25th Anniversary.

cc: Doug Eakeley

June 23, 1999
FOR IMMEDIATE RELEASE

CONTACT: Kim Dixon
(202) 336-8939

LEGAL SERVICES CORPORATION STATEMENT CONCERNING RECENT GAO FINDINGS

WASHINGTON -- After concluding audits of five legal services programs nationwide, the General Accounting Office (GAO) recently informed Legal Services Corporation (LSC) officials on its findings in two areas. The GAO reported its findings regarding problems in the 1997 Case Service Reporting (CSR) data of these programs. The GAO also concluded these programs in some instances failed to document income and/or citizenship eligibility before providing service to clients.

The CSR findings of the GAO were consistent with field visits by LSC management, and the audits initiated by the OIG. As a result of these activities, LSC substantially changed its guidance to programs on how to report the types of services provided. LSC expressed full confidence that the measures it initiated in November 1998 will correct the problems discovered internally and by the GAO. The 1998 closed cases statistics, however, will not reflect the changes because programs were not required to implement these changes for 1998 reports.

-more-

LSC does expect that over the next few years the new guidance will greatly improve its ability to communicate accurate and complete information to Congress and the general public. LSC continues to take action to improve the CSR system by seeking input from programs on how better to account for the services they provide.

While examining the programs, the GAO also found significant failure to document the income and/or the citizenship eligibility of clients served. While these findings do not automatically conclude all clients served without documented eligibility were, in fact, ineligible for assistance, LSC will use the GAO findings to investigate and to take appropriate action concerning possible service provided to ineligible clients at LSC-funded programs.

In accordance with the LSC Act and Regulations, LSC-funded programs must first determine if a client meets certain income and/or citizenship requirements before deeming them eligible for legal assistance. Providing service to an ineligible client would violate these regulations. The Office of Compliance and Enforcement will visit six programs to ensure compliance with all regulations. The IG has announced plans to conduct five audits of Case Statistical Reporting in fiscal year 2000, in addition to six audits currently underway.

Since 1996, LSC has not been responsible for routine monitoring of these requirements as Congress moved the monitoring function of the programs from LSC to independent auditors who are overseen by the LSC IG. LSC, however, is responsible for enforcement of the LSC Act and Regulations and will take action within this context.

"LSC is completely committed to ensuring all congressional restrictions and laws are followed by programs," said LSC President John McKay. "We have a strong record of enforcement. If we find that a program did not obey the restrictions, we will take appropriate action that will send a strong message that all congressional restrictions will be enforced."

LSC has not reached a final decision on appropriate measures to take, if any, against the audited programs as the GAO has not finished its investigation. The five programs audited were in Baltimore, Chicago, Los Angeles, New York, and Puerto Rico.

-30-

The Harris Poll -- Low-Income Legal Assistance Questions

Conducted for

Legal Services Corporation

LOUIS HARRIS & ASSOCIATES, INC.
111 Fifth Avenue
New York, New York 10003
(212) 569-9600

Low-Income Legal Assistance Questions

700. LEGAL SERVICES [1036]

BASE: ALL RESPONDENTS (HPTEL ONLY)

Q705. [N] Currently, people accused of a crime who cannot afford an attorney are guaranteed a court appointed attorney. However, people involved with non-criminal civil cases, such as child custody, adoption, or divorce are not guaranteed legal representation unless they can afford to pay an attorney themselves. Do you believe federal funding should be used to provide legal assistance to low income people in such civil cases, or not?

Yes, funding should be provided	66
No, funding should not be provided	32
Don't know	2
Refused	*

BASE: ALL RESPONDENTS (HPTEL ONLY)

Q710. [N] Currently, federal law guarantees a court appointed attorney to low-income people accused of committing domestic violence, while it does not provide legal assistance to the low-income victims. In the instances where victims of domestic violence must rely on the legal system to help resolve their domestic situation, should federal funds be used to provide this legal assistance, or not?

Yes, funding should be provided	80
No, funding should not be provided	17
Don't know	2

BASE: ALL RESPONDENTS (HPTEL ONLY)

Q715. [N] Elderly people are frequently the victims of fraud, such as telemarketing, insurance or sweepstakes. Do you believe federal funds should be used to provide legal assistance to low-income elderly people in consumer affairs matters who may be victims of fraud?

Yes, funding should be provided	81
No, funding should not be provided	18
Don't know	1

*Less than 0.5%

Absolutes/col percents 16 Jun 99
Table 329

Q705 - Currently, people accused of a crime who cannot afford an attorney are guaranteed a court appointed attorney. However, people involved with non-criminal civil cases, such as child custody, adoption, or divorce are not guaranteed legal representation unless they can afford to pay an attorney themselves. Do you believe federal funding should be used to provide legal assistance to low income people in such civil cases, or not?

Base: All respondents

		REGION				AGE					
	TOTAL	EAST	MID-WEST	SOU-TH	WEST	18-24	25-29	30-39	40-49	50-64	65 AND OVER
Unweighted Base	1006	243	236	330	197	112	74	171	184	263	187
Weighted Base	1006	245	228	353	179	141	65	208	216	190	154
Yes, funding should be provided	661 66%	179 73%	134 59%	234 66%	114 64%	99 70%	59 69%	145 70%	143 66%	116 61%	91 59%
No, funding should not be provided	326 32%	62 25%	91 40%	112 32%	62 34%	39 28%	25 30%	60 29%	72 33%	72 38%	56 36%
Don't know	18 2%	5 2%	4 2%	8 2%	2 1%	3 2%	1 2%	2 1%	1 1%	2 1%	7 5%
Refused	1 *	- -	- -	- -	1 1%	- -	- -	1 1%	- -	- -	- -
Sigma	1006 100%	245 100%	228 100%	353 100%	179 100%	141 100%	65 100%	208 100%	216 100%	190 100%	154 100%

	SEX		RACE			ONLINE USERS				PC USER/ NOT ON-LINE	NOT PC USER
	MALE	FE-MALE	WH-ITE	BL-ACK	HIS-PAN-IC	TOTAL	HEA-VY	MED-IUM	LI-GHT		
Unweighted Base	484	522	832	83	56	522	135	169	203	168	316
Weighted Base	484	522	776	120	99	469	121	150	178	161	376
Yes, funding should be provided	268 55%	393 75%	470 61%	112 93%	64 64%	290 62%	85 70%	87 58%	107 60%	107 66%	264 70%
No, funding should not be provided	208 43%	118 23%	289 37%	7 6%	34 34%	169 36%	35 29%	62 41%	65 36%	52 32%	105 28%
Don't know	7 1%	11 2%	16 2%	2 2%	2 2%	8 2%	1 1%	1 1%	4 2%	2 1%	8 2%
Refused	1 *	- -	1 *	- -	- -	1 *	- -	- -	1 1%	- -	- -
Sigma	484 100%	522 100%	776 100%	120 100%	99 100%	469 100%	121 100%	150 100%	178 100%	161 100%	376 100%

911009 Harris Poll #6
Louis Harris & Associates, Inc.
Interview Dates 6/10/99 - 6/15/99

Absolutes/col percents 16 Jun 99
Table 330

Q705 - Currently, people accused of a crime who cannot afford an attorney are guaranteed a court appointed attorney. However, people involved with non-criminal civil cases, such as child custody, adoption, or divorce are not guaranteed legal representation unless they can afford to pay an attorney themselves. Do you believe federal funding should be used to provide legal assistance to low income people in such civil cases, or not?

Base: All respondents

	TOTAL	EDUCATION: HIGH SCHOOL OR LESS	SOME COL-LEGE	COL-LEGE GRAD	POST GRAD	INCOME: $15,000 OR LESS	$15,001 TO $25K	$25,001 TO $35K	$35,001 TO $50K	$50,001 TO $75K	$75,001 AND OVER	PARTY ID: RE-PUB-LIC-AN	DEM-O-CRAT	IN-DE-PEN-DENT	POL.PHILOSOPHY: CON-SER-VA-TIVE	MOD-ER-ATE	LIB-ERAL	PEO-PLE WITH DISA BILI TIES	PEO-PLE W/O DISA BILI TIES	HAVE CHILD -REN
Unweighted Base	1008	339	293	236	135	132	115	144	164	163	181	282	332	292	398	407	177	119	829	363
Weighted Base	1006	522	263	149	69	159	135	155	173	154	125	255	353	288	387	400	181	123	820	456
Yes, funding should be provided	661	371	161	93	35	130	108	92	102	102	71	138	267	189	213	289	133	92	526	308
	66%	71%	61%	62%	50%	82%	80%	60%	59%	66%	57%	54%	76%	66%	55%	72%	74%	76%	64%	67%
No, funding should not be provided	326	144	94	55	32	27	23	58	69	51	51	111	82	95	166	103	46	28	280	142
	32%	28%	36%	37%	46%	17%	17%	38%	40%	33%	41%	44%	23%	33%	43%	26%	25%	23%	34%	31%
Don't know	18	7	6	2	3	2	4	4	2	2	1	5	4	5	8	7	1	2	13	5
	2%	1%	2%	1%	4%	1%	3%	3%	1%	1%	1%	2%	1%	2%	2%	2%	1%	2%	2%	1%
Refused	1	-	1	-	-	-	-	-	-	-	1	1	-	-	-	1	-	-	1	1
	*	-	1%	-	-	-	-	-	-	-	1%	1%	-	-	-	*	-	-	*	*
Sigma	1006	522	263	149	69	159	135	155	173	154	125	255	353	288	387	400	181	123	820	455
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

911009 Harris Poll #6
Louis Harris & Associates, Inc.
Interview Dates 6/10/99 - 6/15/99

Absolutes/col percents 16 Jun 99
Table 331

Q710 - Currently, federal law guarantees a court appointed attorney
to low-income people accused of committing domestic violence,
while it does not provide legal assistance to the low-income victims.
In the instances where victims of domestic violence must rely on their legal system
to help resolve their domestic situation, should federal funds be used
to provide this legal assistance, or not?

Base: All respondents

		REGION				AGE						SEX		RACE			ONLINE USERS				PC USER/ NOT ON-LINE	NOT PC USER
	TOTAL	EAST	MID-WEST	SOU-TH	WEST	18-24	25-29	30-39	40-49	50-64	65 AND OVER	MALE	FE-MALE	WH-ITE	BL-ACK	HIS-PAN-IC	TOTAL	HEA-VY	MED-IUM	LI-GHT		
Unweighted Base	1006	243	236	330	197	112	74	171	184	263	187	484	522	832	83	56	522	135	169	203	168	316
Weighted Base	1006	245	228	353	179	141	85	208	216	190	154	484	522	776	120	99	469	121	150	178	161	376
Yes, funding should be provided	809	194	176	295	143	110	80	174	179	150	108	360	449	618	103	71	396	105	123	148	128	285
	80%	79%	77%	84%	80%	78%	93%	84%	83%	79%	69%	74%	86%	80%	86%	71%	84%	87%	82%	83%	80%	76%
No, funding should not be provided	173	42	42	54	35	31	6	33	28	32	42	113	60	141	10	29	67	14	26	27	30	75
	17%	17%	18%	15%	19%	22%	7%	16%	13%	17%	27%	23%	12%	18%	9%	29%	14%	12%	17%	15%	19%	20%
Don't know	25	9	11	4	1	-	-	1	9	8	5	12	13	17	7	-	5	1	1	3	3	17
	2%	3%	5%	1%	1%	-	-	*	4%	4%	3%	2%	2%	2%	6%	-	1%	1%	1%	1%	2%	4%
Sigma	1006	245	228	353	179	141	85	208	216	190	154	484	522	776	120	99	469	121	150	178	161	376
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Q710 - Currently, federal law guarantees a court appointed attorney to low-income people accused of committing domestic violence, while it does not provide legal assistance to the low-income victims. In the instances where victims of domestic violence must rely on their legal system to help resolve their domestic situation, should federal funds be used to provide this legal assistance, or not?

Base: All respondents

		EDUCATION				INCOME					
	TOTAL	HIGH SCH-OOL OR LESS	SOME COL-LEGE	COL-LEGE GRAD	POST GRAD	$15,000 OR LESS	$15,001 TO $25K	$25,001 TO $35K	$35,001 TO $50K	$50,001 TO $75K	$75,001 AND OVER
Unweighted Base	1006	339	283	236	135	132	115	144	164	163	181
Weighted Base	1006	522	283	149	69	159	135	155	173	154	125
Yes, funding should be provided	809 80%	402 77%	221 84%	127 85%	56 81%	140 88%	111 82%	113 73%	132 76%	133 86%	104 84%
No, funding should not be provided	173 17%	102 20%	38 15%	20 14%	11 16%	14 9%	19 14%	41 26%	35 20%	18 11%	19 15%
Don't know	25 2%	17 3%	4 1%	2 1%	2 3%	5 3%	5 3%	1 1%	7 4%	4 3%	1 1%
Sigma	1006 100%	522 100%	263 100%	149 100%	69 100%	159 100%	135 100%	155 100%	173 100%	154 100%	125 100%

	PARTY ID			POL.PHILOSOPHY					
	RE-PUB-LIC-AN	DEM-O-CRAT	IN-DE-PEN-DENT	CON-SER-VA-TIVE	MOD-ER-ATE	LIB-ERAL	PEO-PLE WITH DISA BILI TIES	PEO-PLE W/O DISA BILI TIES	HAVE CHILD -REN
Unweighted Base	282	332	292	388	407	177	119	829	363
Weighted Base	255	353	288	387	400	181	123	820	456
Yes, funding should be provided	201 79%	300 85%	225 78%	291 75%	335 84%	153 85%	103 84%	655 80%	364 80%
No, funding should not be provided	48 19%	42 12%	59 20%	84 22%	59 15%	25 14%	15 12%	146 18%	83 18%
Don't know	6 2%	10 3%	4 1%	12 3%	6 1%	2 1%	4 4%	19 2%	10 2%
Sigma	255 100%	353 100%	288 100%	387 100%	400 100%	181 100%	123 100%	820 100%	456 100%

911009 Harris Poll #6
Louis Harris & Associates, Inc.
Interview Dates 6/10/99 - 6/15/99

Absolutes/col percents 16 Jun 99
Table 333

Q715 - Elderly people are frequently the victims of fraud, such as telemarketing, insurance or sweepstakes. Do you believe federal funds should be used to provide legal assistance to low-income elderly people in consumer affairs matters who may be victims of fraud?

Base: All respondents

		REGION				AGE						SEX		RACE			ONLINE USERS				PC USER/	
	TOTAL	EAST	MID-WEST	SOU-TH	WEST	18-24	25-29	30-39	40-49	50-64	65 AND OVER	MALE	FE-MALE	WH-ITE	BL-ACK	HIS-PAN-IC	TOTAL	HEA-VY	MED-IUM	LI-GHT	NOT ON-LINE	NOT PC USER
Unweighted Base	1006	243	236	330	197	112	74	171	184	263	187	484	522	832	63	56	522	135	169	203	168	316
Weighted Base	1006	245	228	353	179	141	85	208	216	190	154	484	522	776	120	99	469	121	150	178	161	376
Yes, funding should be provided	813	201	178	298	136	113	72	165	186	159	110	370	444	612	111	77	367	96	116	136	135	312
	81%	82%	78%	84%	76%	80%	85%	80%	86%	84%	71%	76%	85%	79%	92%	77%	78%	79%	77%	76%	84%	83%
No, funding should not be provided	180	38	48	52	42	28	13	41	29	30	35	108	72	153	10	23	99	25	34	40	26	55
	18%	16%	21%	15%	23%	20%	15%	20%	13%	16%	23%	22%	14%	20%	8%	23%	21%	21%	23%	22%	16%	15%
Don't know	12	6	2	4	1	-	-	1	1	1	9	6	6	11	-	-	2	*	-	2	-	10
	1%	2%	1%	1%	*	-	-	*	1%	*	6%	1%	1%	1%	*	-	1%	*	-	1%	-	3%
Sigma	1006	245	228	353	179	141	85	208	216	190	154	484	522	776	120	99	469	121	150	178	161	376
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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Base: All respondents

	TOTAL	EDUCATION: HIGH SCHOOL OR LESS	SOME COLLEGE	COLLEGE GRAD	POST GRAD	INCOME: $15,000 OR LESS	$15,001 TO $25K	$25,001 TO $35K	$35,001 TO $50K	$50,001 TO $75K	$75,001 AND OVER
Unweighted Base	1006	339	293	236	135	132	115	144	164	163	181
Weighted Base	1005	522	283	149	69	159	135	155	173	154	125
Yes, funding should be provided	813	445	203	109	49	133	121	125	132	127	94
	81%	85%	79%	73%	70%	83%	90%	81%	76%	82%	75%
No, funding should not be provided	180	69	52	40	20	23	14	27	41	24	31
	18%	13%	20%	27%	29%	14%	10%	18%	24%	16%	25%
Don't know	12	9	3	*	1	4	-	2	-	3	*
	1%	2%	1%	*	1%	2%	-	2%	-	2%	*
Sigma	1006	522	283	149	69	159	135	155	173	154	125
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

	PARTY ID: REPUBLICAN	DEMOCRAT	INDEPENDENT	POL.PHILOSOPHY: CONSERVATIVE	MODERATE	LIBERAL	PEOPLE WITH DISABILITIES	PEOPLE W/O DISABILITIES	HAVE CHILDREN
Unweighted Base	282	332	292	388	407	177	119	829	363
Weighted Base	255	353	288	387	400	181	123	820	456
Yes, funding should be provided	199	309	219	293	336	153	103	665	383
	78%	88%	76%	76%	84%	85%	83%	81%	84%
No, funding should not be provided	50	40	68	88	63	23	15	148	71
	20%	11%	24%	23%	16%	13%	12%	18%	16%
Don't know	6	4	-	6	1	4	5	7	2
	2%	1%	-	1%	*	2%	4%	1%	1%
Sigma	255	353	288	387	400	181	123	820	456
	100%	100%	100%	100%	100%	100%	100%	100%	100%

Methodology

This Harris Poll was conducted by telephone within the United States between June 10 to 15, among a nationwide cross section of 1,008 adults. Figures for age, sex, race, education, number of adults and number of voice/telephone lines in the household were weighted where necessary to bring them into line with their actual proportions in the population.

In theory, with a sample of this size, one can say with 95 percent certainty that the results have a statistical precision of plus or minus 3 percentage points of what they would be if the entire adult population had been polled with complete accuracy. Unfortunately, there are several other possible sources of error in all polls or surveys that are probably more serious than theoretical calculations of sampling error. They include refusals to be interviewed (non-response), question wording and question order, interviewer bias, weighting by demographic control data and screening (e.g., for likely voters). It is difficult or impossible to quantify the errors that may result from these factors.

LSC
Legal Services Corporation

OFFICE OF GOVERNMENTAL RELATIONS & PUBLIC AFFAIRS

MEMORANDUM

TO: Charles Ruff

FROM: Mauricio Vivero/Dori Gillman

DATE: June 23, 1999

SUBJECT: LSC Statement on GAO Audit Findings

As you know, the GAO has been asked to conduct an audit of several of our program's 1997 case reporting data. We have been briefed by the GAO regarding the preliminary findings of the first five completed audits. These audits were conducted in New York, Baltimore, Los Angeles, Chicago, and Puerto Rico.

We believe that this will be a central issue when the appropriation for LSC is considered this year. We are sending you a copy of our statement on this matter. Thanks for all your support. Please call me if you have any questions at 336-8862.

June 23, 1999
FOR IMMEDIATE RELEASE

CONTACT: Kim Dixon
(202) 336-8939

LEGAL SERVICES CORPORATION STATEMENT CONCERNING RECENT GAO FINDINGS

WASHINGTON -- After concluding audits of five legal services programs nationwide, the General Accounting Office (GAO) recently informed Legal Services Corporation (LSC) officials on its findings in two areas. The GAO reported its findings regarding problems in the 1997 Case Service Reporting (CSR) data of these programs. The GAO also concluded these programs in some instances failed to document income and/or citizenship eligibility before providing service to clients.

The CSR findings of the GAO were consistent with field visits by LSC management, and the audits initiated by the OIG. As a result of these activities, LSC substantially changed its guidance to programs on how to report the types of services provided. LSC expressed full confidence that the measures it initiated in November 1998 will correct the problems discovered internally and by the GAO. The 1998 closed cases statistics, however, will not reflect the changes because programs were not required to implement these changes for 1998 reports.

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LSC does expect that over the next few years the new guidance will greatly improve its ability to communicate accurate and complete information to Congress and the general public. LSC continues to take action to improve the CSR system by seeking input from programs on how better to account for the services they provide.

While examining the programs, the GAO also found significant failure to document the income and/or the citizenship eligibility of clients served. While these findings do not automatically conclude all clients served without documented eligibility were, in fact, ineligible for assistance, LSC will use the GAO findings to investigate and to take appropriate action concerning possible service provided to ineligible clients at LSC-funded programs.

In accordance with the LSC Act and Regulations, LSC-funded programs must first determine if a client meets certain income and/or citizenship requirements before deeming them eligible for legal assistance. Providing service to an ineligible client would violate these regulations. The Office of Compliance and Enforcement will visit six programs to ensure compliance with all regulations. The IG has announced plans to conduct five audits of Case Statistical Reporting in fiscal year 2000, in addition to six audits currently underway.

Since 1996, LSC has not been responsible for routine monitoring of these requirements as Congress moved the monitoring function of the programs from LSC to independent auditors who are overseen by the LSC IG. LSC, however, is responsible for enforcement of the LSC Act and Regulations and will take action within this context.

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"LSC is completely committed to ensuring all congressional restrictions and laws are followed by programs," said LSC President John McKay. "We have a strong record of enforcement. If we find that a program did not obey the restrictions, we will take appropriate action that will send a strong message that all congressional restrictions will be enforced."

LSC has not reached a final decision on appropriate measures to take, if any, against the audited programs as the GAO has not finished its investigation. The five programs audited were in Baltimore, Chicago, Los Angeles, New York, and Puerto Rico.

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HOW LEGAL SERVICES PROGRAMS HELP POOR WOMEN AND THEIR FAMILIES WITH MANY ISSUES OF CRITICAL CONCERN

- Legal services programs represent women with respect to spousal or child abuse and enforcement of child support orders.

- Legal services programs give legal assistance with respect to divorce and separation, which may be the only the way for a poor woman to effectively end an abusive relationship or establish a support obligation.

- Legal services programs provide representation in statutory benefits cases, so that a single mother who loses her job and needs emergency cash assistance, food stamps, medical benefits, or emergency housing, receives such assistance.

- Legal services programs represent women with employment matters, including wage claims, discrimination, unlawful termination, and unemployment compensation.

- Legal services programs provide representation on a range of family law issues including custody and visitation, parental rights termination, paternity, adoption or foster care.

- Legal services programs provide representation on a range of issues relating to education, for example, special education, suspension or expulsion from school, or access to day-care.

- Legal services programs also provide various non-representational legal services including community legal education and self-help clinics around family law issues and domestic abuse. These services empower and encourage women to handle their own problems, and when appropriate, without direct intervention by lawyers or other advocated.

THE LEGAL SERVICES CORPORATION TALKING POINTS -- DOMESTIC VIOLENCE

- The U.S. Bureau of Justice Statistics reports that over one million women a year are victims of violence by husbands or boyfriends. Domestic violence is a problem at all income levels. Poor families, which frequently lack access to support networks, are especially vulnerable to the vicious cycle of domestic abuse.

- Family law, which includes the representation of victims of domestic violence, is the single largest category of cases handled by the 323 local legal services programs across the nation. One out of every three of the 1.7 million cases that legal services programs handle each year concerns family law.

- In 1993, legal services programs handled over 52,000 cases in which clients sought legal protection from abusive spouses and over 9000 cases involving neglected, abused, and dependent juveniles. Domestic violence was also an issue in many divorces and other types of cases as well.

- Legal services attorneys assist victims of domestic violence in a variety of ways: obtaining orders of protection, child support, and divorces from abusive spouses; representing them in child custody proceedings; assisting them with applications for emergency housing or other benefits that enable them to escape violent situations; and helping them make realistic plans for moving from dependency to self-sufficiency.

LEGAL SERVICES CORPORATION

LSC DIVORCE CASES

- Legal services programs closed 1.6 million cases in 1995. Of that number, approximately one third (558,697) were family law cases, including adoption, custody and visitation, guardianship and conservatorship, name change, parental rights termination, paternity and child support, as well as spouse abuse, annulment, separation and divorce.

- Only one half of the family law cases (238,212) involved issues related to annulment separation and divorce. Of those cases, only 20% or 48,004, actually resulted in a court decision granting an annulment, separation or divorce. The remainder were closed as a result of counsel and advice, brief service, negotiated settlement or some other result that did not involve a judicial decision to end the marriage. In the vast majority of legal services cases where clients received assistance on issues relating to dissolution of marriage, the clients did not actually wind up dissolving their marriages.

- Because of the overwhelming need for legal assistance in other areas, including other family law matters, most legal services programs do not handle simple dissolution of marriage cases, such as no-fault divorce. Those divorce cases that are taken generally involve serious issues such as child custody, child support and particularly, domestic violence, where the safety and security of children and one of the spouses is at stake.

- Domestic violence is a critical problem at all income levels in our society, but poor families, who often lack access to many support services, are especially vulnerable to its effects. In 1995, legal services programs handled over 59,000 cases where clients sought legal services protection from abusive spouses and boyfriends, other than those cases which sought dissolution of marriage. Domestic violence was also an issue in a high percentage of the divorce, annulment or separation cases.

- Realistically, divorce annulment or legal separation is often the only way that an abused spouse can protect herself or her children from the effects of domestic violence. Often it is the only form of assistance that can make a real and permanent difference in the lives of victims of domestic abuse. It allows them to create a legal framework for permanent custody and financial support for children of the marriage. It also allows them to enter into new, more stable relationships and to form new families.

- Legal services programs do nothing to promote the dissolution of marriage, they merely respond to the needs of their clients. They provide legal assistance to dissolve a marriage under circumstances where the marriage is already unsalvageable. In addition to situations where domestic violence exists, divorce may be the only appropriate remedy in other cases as well, for example, where a spouse has been abandoned or where one spouse is in prison and the remaining spouse wishes to form a new family so that children can grow up in a two parent home. In situations where the marital relationship is in trouble but has not irretrievably broken down, programs will often refer people who seek legal services to counselling or other social services, help the family qualify for statutory benefits or subsidized housing, help one spouse qualify for job training, or a host of other services that can help the family stay together and work out its problems

- Poor women should not be forced to remain in violent, failed marriages where they and their children may be at risk of serious physical and emotional injury, simply because they do not have money to hire an attorney. They should have the same opportunity as others who may be better off financially to put an end to the marital relationship and to begin again.

Legal Services Combats Domestic Violence

- The U.S. Bureau of Justice Statistics reports that over one million women a year are victims of violence by husbands or boyfriends. Domestic violence is a problem at all income levels. Poor families, which frequently lack access to support networks, are especially vulnerable to the vicious cycle of domestic abuse.

- Family law, which includes the representation of victims of domestic violence, is the single largest category of case handled by the 278 local legal services programs across the nation. One out of every three of the 1.7 million cases that legal services programs handle each year concerns family law. In 1995, legal services programs handled over 59,000 cases in which clients sought legal protection from abusive spouses and over 9300 cases involving neglected, abused, and dependent juveniles. Domestic violence was also an issue in many divorces and other types of cases as well.

- Legal services attorneys assist victims of domestic violence in a variety of ways: obtaining orders of protection, child support, and divorces from abusive spouses; representing them in child custody proceedings; assisting them with applications for emergency housing or other benefits that enable them to escape violent situations; and helping them make realistic plans for moving from dependency to self-sufficiency.

  - *The Cincinnati Legal Aid Society represented a woman who fled to Texas with her three children to escape from her abusive husband. He followed her, beat her up, and held a gun to her head and threatened to kill her. He then snatched the youngest child and went back to Ohio. Working with a legal services program in Texas, the Legal Aid Society was able to help the mother retrieve her child and obtain a divorce, permanent custody, and child support.*

  - *A mother of four children in Arkansas filed for a protective order from her abusive husband, who had threatened to kill her. Although the order was granted, the woman was arrested because she did not have the money to pay $84 in court costs. A judge ordered her held in jail until a contempt hearing scheduled for two months later. Central Arkansas Legal Services obtained a stay of the contempt order from the state Supreme Court and helped the woman find safe living quarters for herself and her children.*

  - *In Alaska, a young Native Alaskan woman refused to return to her abusive partner's remote village with him. He left, taking their children and refusing to respond to her efforts to contact them. The Alaska Legal Services Corporation obtained the return of the children and an order of permanent custody for the mother. After a state investigation prompted by the legal services attorney, criminal child abuse charges were filed against the father.*

- In addition to providing direct representation, legal services programs target domestic violence through community legal education programs on the day-to-day realities of spousal and child abuse and the rights of victims. Legal services advocates frequently serve as founding board members for domestic violence shelters and participate in the creation of law enforcement task forces and other efforts to improve the response of public agencies to violent situations.

- In Chicago and western Massachusetts, innovative programs targeted at domestic violence have been developed by local legal services programs as part of the National Service Legal Corps, the first national legal initiative funded through the AmeriCorps national service effort.

Nigeria's Waiting Game

Nigeria's military rulers seem to assume that their country's oil and other investment opportunities will give the United States and Europe pause about protesting the suppression of democracy and civil liberties in Nigeria. Regrettably, their strategy is working.

Six months after Ken Saro-Wiwa and eight other minority-rights activists were hanged in Nigeria after a farcical trial, the Clinton Administration says it is still consulting with other countries on long-promised sanctions. It hints at a decision next month, but there is no deadline, which suits Lagos fine.

The Administration's unseemly hesitation leaves Senator Nancy Kassebaum, a Kansas Republican, as Washington's conscience on Nigeria. Hearings are set for May 15 on her Nigeria Democracy Act, which has 22 co-sponsors. The measure would codify existing sanctions against Nigeria, freeze the assets of the military regime's leaders and, most potently, prohibit new American investment there. Hearings can serve the double purpose of refocusing attention on Lagos, and ventilating the arguments about a unilateral investment ban.

The trumped-up trial of the Ogoni activists last November is what Nigeria has learned to expect under its self-enthroned President, Gen. Sani Abacha. A new World Bank report says that despite Nigeria's oil riches, half the population is sinking below the poverty line, and one of five children dies before turning 5. Dissenters risk jail or worse, as in the case of Moshood Abiola, the front-runner in an annulled 1993 election who still awaits trial for supposed treason.

This is the record that caused President Nelson Mandela of South Africa to call for an embargo on Nigerian oil, and ought to lead other countries to take diplomatic and economic action against Lagos. Last week the British Commonwealth, having suspended Nigeria's membership, joined in supporting sanctions already imposed by the United States, such as prohibiting arm sales to Nigeria or travel visas for Nigerian leaders and their families.

But these are annoyances, and the freezing of assets could be readily evaded. An oil embargo, however deserved, is unlikely. What could truly hurt is a ban on new American investments in a country where Americans have already sunk some $54 billion, mostly in the oil industry. While European and Japanese businesses might benefit from a United States embargo, there are times when the defense of American principles should take precedence over the expansion of American commerce. Nigeria, like South Africa at an earlier time, is such a case.

International sanctions against Nigeria would be preferable, and the Clinton Administration should press reluctant Europeans, notably the British, to cooperate. But if that effort fails, Washington should not hesitate to act alone. The world, especially the United States, should not condone the brutal policies of the Nigerian dictatorship.

Legal Services Survives, Barely

The budget bill signed by President Clinton last week after months of bargaining between the White House and Congressional Republicans deals two blows to the American ideal of equal justice. It slashes funding for the Legal Services Corporation — the 21-year-old federally financed program that helps poor people with their civil legal problems. It also imposes restrictions that will further impede the program's effectiveness.

President Clinton cited his opposition to the gutting of Legal Services when he vetoed an earlier version of the budget bill last December. But the Republicans were not moved to rethink their approach. In the end, Mr. Clinton — apparently satisfied that he had won important concessions elsewhere in the bill — swallowed a 30 percent cut in Legal Service's budget, from $400 million to $278 million.

These cold figures need to be understood in human terms, as First Lady Hillary Rodham Clinton, a former chairwoman of the Legal Services Corporation, noted recently in her syndicated newspaper column. "What that means," she wrote, "is that somewhere a couple and their young children will have to sleep in an unheated car or on the street because of an unlawful eviction; a woman will be forced to cower in her bedroom, a victim of domestic violence; and a child will go to school hungry because his father refuses to pay child support."

The number of cases handled by the already underfunded program may fall by as many as 500,000, even as the number of poor people in America eligible to receive help is growing. Increased pro bono work by private lawyers, though welcome, is not a realistic way to fill the gap.

Congress also insisted on provisions that weaken the ability of Legal Services lawyers to adequately represent their clients. Among other things, they would be barred from filing class-action lawsuits. Such suits are a tiny part of Legal Services' work. But they are a practical way to resolve significant issues that affect large numbers of poor people, like rules governing eligibility for Medicaid, housing and disability benefits. Other legislative restrictions prohibit Legal Services attorneys from challenging illegal or unconstitutional changes in state welfare rules, and severely limit the freedom to represent client interests before legislative bodies and in administrative rule-making proceedings.

These sad defeats amount to a victory of sorts. The bill stops short of the outright abolition of Legal Services pressed by some Republicans in the first flush of their party's takeover of Congress. Unfortunately, to the many impoverished Americans who will now be shut out of the legal system, that will not provide much comfort.

THE NEW YORK TIMES EDITORIALS/LETTERS TUESDAY, JULY 16, 1996 A16

Legal Services on the Ropes

House Republicans are continuing their drive this week to destroy the Legal Services Corporation, the federally financed program that assists poor people with civil legal problems.

In May, anti-Legal-Services ideologues succeeded in slashing the program's budget by 30 percent, from an already inadequate $400 million to $278 million for the current fiscal year. Republican lawmakers also won restrictions that impede the ability of Legal Services lawyers to represent their clients effectively.

The latest attack threatens the program's very survival. The House Appropriations Committee has approved a bill that would cut the Legal Services budget for the next fiscal year in half, to $141 million. That is far below what is realistically needed to sustain a meaningful national program.

The Republican leadership's goal is to starve the agency now and terminate it completely next year — converting what is now a Federal program into a far less vigorous series of block grants to the states. Sad to say, one of the ringleaders in this retreat is a New Yorker, the Rules Committee chairman, Gerald Solomon.

House Republicans seem to think they can get away with killing off the Legal Services Corporation without any negative political consequences. They have apparently made a cynical calculation that the only thing less popular than a poor person nowadays is a poor person with a lawyer.

But that underestimates the nation's sense of fair play. If the question were put to them, it is hard to believe most Americans would favor denying impoverished adults and children help with urgent civil legal problems that jeopardize their homes, their benefits and, in cases where court protection from domestic violence is needed, even their lives.

As the issue moves to a vote by the full House later this week, and then the Senate, the fate of Legal Services — an important expression of the nation's commitment to the ideal of equal justice — hangs in the balance. President Clinton respects the program's importance. A lot rides on his willingness to exercise White House leadership to save it.

ROBERTA COOPER RAMO
President

AMERICAN BAR ASSOCIATION
750 North Lake Shore Drive
Chicago, IL 60611
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You should be proud that the ABA saved the Legal Services Corp. from extinction during the last year. But those who believe the poor do not deserve civil justice have not given up. Congress will soon decide the ultimate fate of the LSC. The U.S. House of Representatives has already begun the process of deciding FY97 (which begins October 1996) appropriations for all federal programs. Many members of the House, including some in leadership positions, have vowed to end all federal funding for LSC in FY97. Achieving a majority approval for continued funding of LSC remains a great challenge. Over the years, the ABA presidents from Lewis J. Powell Jr. (who put his name on a letter of support only last fall) on have worked to make sure access to civil justice is not denied to the poor.

Last year, thousands of ABA members contacted their congressional delegations to urge them to appropriate funds for this vital program. At this critical time, I ask that you again send a strong message to your representative in support of LSC. Congress kept LSC alive in 1995, although it cut LSC's budget by one-third to $278 million. We anticipate the legislative battle to be even more difficult in 1996. Many in Congress have stated that their goal is to kill the Federal Legal Services Program. Only your help can save the Legal Services Corp. and the effective problem-solving it offers to our elderly poor, to abused women and working families. We know that it is easier for lawyers to do pro bono work because of the effective civil-justice emergency room that federal legal services offices provide.

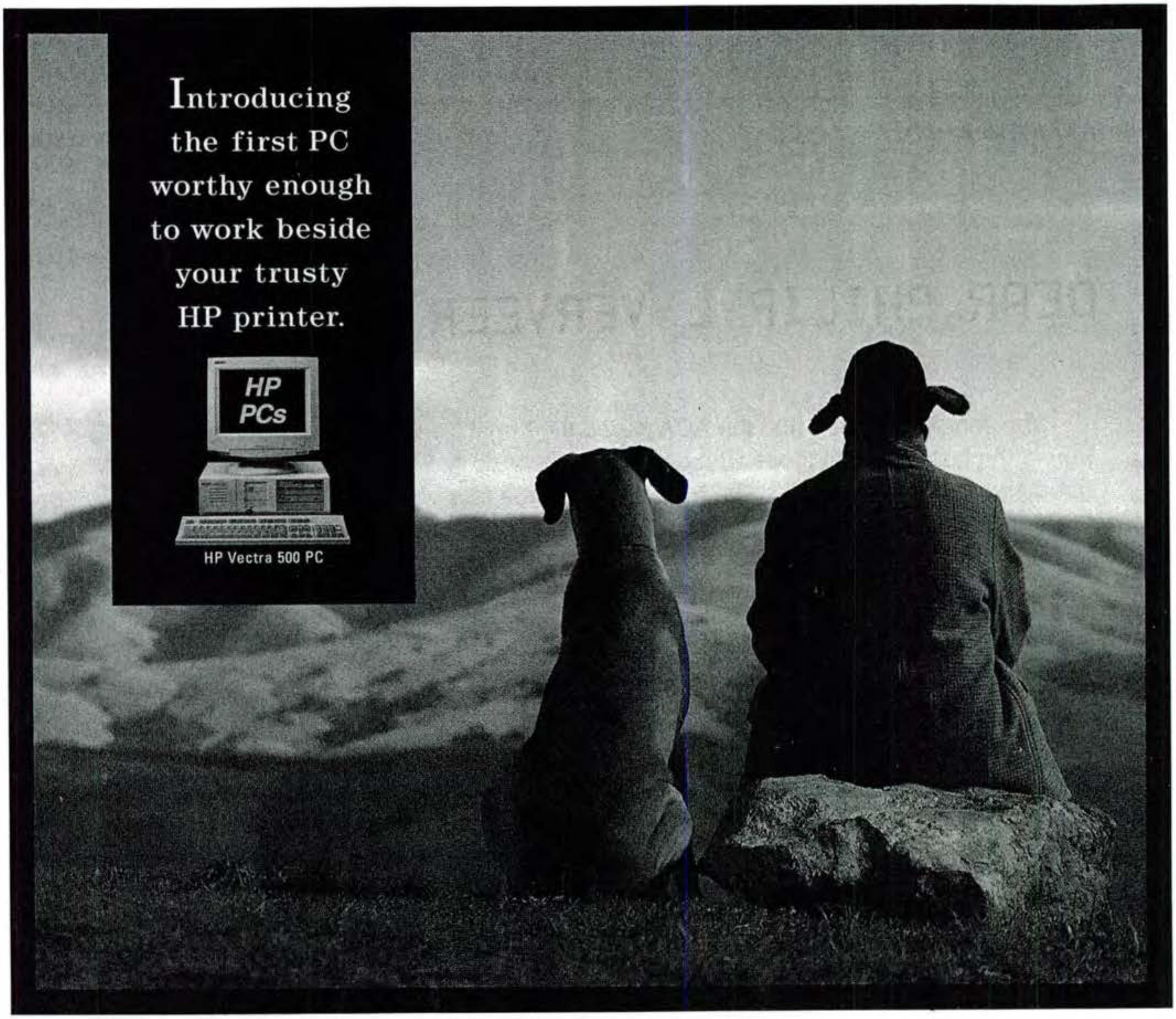
To assure a strong response to this threat, the ABA has established a special phone number (1-888-KEEP-LSC) for our association's members to use to support LSC. Your call will produce a personalized letter to your House member in support of LSC that will be hand-delivered to your member on the next day. The letter will state the association's position in support of federal funding for LSC.

The price for this call is $7.50 to cover our costs. When we walk the halls of Congress to work on this key effort, we know well when your good work has preceded it. Please make this small investment to help assure that America keeps its commitment to "equal justice." I thank you for all who believe in the American justice system.

RdC Ramo

Roberta Cooper Ramo

Support Justice for All—Call 1-888-KEEP-LSC



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May 28, 1996

The Honorable Harold Rogers
Chairman
House Appropriations Subcommittee on Commerce,
Justice, State and the Judiciary
Room H-309, The Capitol
Washington, DC 20515

Dear Chairman Rogers:

This Congress, through the appropriations process, made significant changes to the structure and administration of the Legal Services Corporation. Most, if not all, of the concerns and objections about the program were responded to through legislative language included in the Commerce, Justice, State and Judiciary Appropriations bill and, finally, the Omnibus Appropriations bill. While the effort to reauthorize the program with needed reforms has not reached fruition, the strides made through the appropriations bills demonstrate the agreements we can reach in correcting the problems of the program.

Now it is time to let the program operate to fulfill the purposes which we all endorse -- to meet the day-to-day legal problems of the poor. This program helps millions of poor Americans stay self-sufficient and productive citizens.

Properly structured and supervised, as it can be, this is a fundamentally conservative program -- one which facilitates the peaceful resolution of disputes in our society and reinforces the rule of law. Cutting its funding further (it is already down a third from last year and down well over half, in real dollars, from 15 years ago) will be viewed by many Americans as a denial of equal justice under law to millions of low-income citizens.

More cuts will also mean that constituents in all of our districts will not be able to get needed assistance with fundamental legal problems. Indeed, if the Budget Committee's recommendation to severely cut funding again is adopted, entire programs throughout the country will be shut down. Millions of Americans, primarily in rural communities, will be left without meaningful access to the courts. Moreover, with proper legal representation for everyone, people at all economic levels will have a greater respect for the law in general.

It is vital that America balance its budget, and our party's efforts will ensure that this happens. However, LSC has done more than its part. LSC's budget went from $415 million (FY95) to $278 million (FY96). **We urge you to support funding for a restructured Legal Services Corporation for FY97 at no less than $278 million.**

Sincerely,

Republican Congresspersons Who Have Signed Letter Re LSC Funding (6/18/96)

John Fox (PA)
Steve Horn (CA)
Christopher Shays (CT)
Jim Leach (IA)
Jim Longley (ME)
Wayne Gilchrest (MD)
Constance A. Morella (MD)
Peter Torkildsen (MA)
Peter Blute (MA)
Jim Ramstad (MN)
Richard Zimmer (NJ)
Bob Franks (NJ)
Bill Martini (NJ)
Steve Schiff (NM)
Sherwood L. Boehlert (NY)
Amo Houghton Jr. (NY)
Sue W. Kelly (NY
Rick Lazio (NY)
Jack Quinn (NY)
Bob Ney (OH)
J.C. Watts (OK)
Philip S. English (PA)
Tom Davis (VA)

In addition, the following Congressmen have indicated support, but did not sign the letter for a variety of reasons including that they are on Appropriations Committee or sent their own letter.

Michael Castle (DE)
Lincoln Diaz-Balart (FL): own letter
Ileana Ros-Lehtinen (FL)
John Edward Porter (IL): Appropriations
Rodney Frelinghuysen (NJ): Appropriations
James T. Walsh (NY): Appropriations
Benjamin A. Gilman (NY)
George Nethercutt (WA): Appropriations

Congress of the United States
Washington, DC 20515

June 14, 1996

The Honorable Harold Rogers
Chairman
Commerce, Justice, State and Judiciary Subcommittee
Committee On Appropriations
H-309, The Capitol
Washington, D.C. 20515

Dear Chairman Rogers:

Last year, members of the Florida delegation contacted you to express our support for reasonable funding for the Legal Services Corporation and its 13 affiliates in the State of Florida. Attached, please find a copy of this letter.

We again thank you for your response to our request. At this time, we wish to renew this recommendation for funding at the FY 1996 level.

Thank you for your consideration of this request and for your leadership.

Sincerely,

Lincoln Diaz-Balart
Member of Congress

Ileana Ros Lehtinen
Member of Congress

Congress of the United States
House of Representatives
Washington, DC 20515

June 21, 1995

The Honorable Harold Rogers
Chairman, Subcommittee on Commerce, Justice,
State and Judiciary
2468 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Rogers:

We are writing to express our strong support for a reasonable level of funding for the Legal Services Corporation in the FY 1996 Appropriations.

The Legal Services Corporation supports 13 offices that support all 67 counties in Florida. The federal funding of this program provides the foundation that draws an additional $15.7 million from private sources and 800,000 hours of pro bono work provided by the members of the Florida Bar.

As the Appropriations Committee struggles with the task of implementing a balanced budget, it is imperative that funding is maintained for the Legal Services program in Florida so that this program can continue to promote self-sufficiency and ensure the indigent access to our legal system.

Sincerely,

Ileana Ros-Lehtinen
Member of Congress

Lincoln Diaz-Balart
Member of Congress

Carrie P. Meek
Member of Congress

Tillie K. Fowler
Member of Congress

Sam Gibbons
Member of Congress

Harry Johnston
Member of Congress

Peter Deutsch
Member of Congress

Alcee L. Hastings
Member of Congress

Corrine Brown
Member of Congress

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Press Coverage from Sunday 6/16/96

LOCAL NEWS
LEXINGTON HERALD-LEADER

SUNDAY
June 16, 1996
Lexington, Ky.
★

B SECTION
Obituaries B2
Short Takes B3

Poor finding legal help harder to get

On Page B4

I Appalled
marks 25 years
helping the little
guy.
I Lawyer who
fled Nazis helps
those in need.

By Bob Geiger
Herald-Leader Washington Bureau

WASHINGTON — Federal cutbacks have forced legal-aid lawyers in Central Kentucky to turn away low-income parents trying to keep custody of their children and families facing eviction, the head of the local legal-aid office says.

"When you turn them down now, it's sort of like their last place to go. That's pretty rough," said Jerry Smith, who heads Central Kentucky Legal Services.

Earlier this year, Congress cut the federal legal-aid budget 30 percent — one of the larger hits any federal program absorbed.

The cut forced 100 of the nation's 1,200 legal-aid offices to close their doors, said Niki Mitchell, a spokeswoman for Legal Services Corp., the national legal-aid agency. Also, in the span of one year, the number of legal-aid attorneys nationwide has fallen 15 percent, she said.

So far, Kentucky has not closed any field offices and has escaped drastic cuts. That could change now that Congress is considering the budget for the coming fiscal year. The House Budget Committee has recommended cutting the program 66 percent next year and eliminating it the year after that. The Senate Budget Committee was more supportive of the program.

Chris Ullman, spokesman for the Republican-controlled House Budget Committee, said, "The bottom line is we feel it's, to a great extent, wasteful spending."

He said legal-aid attorneys have thrown money away on what he described as outrageous litigation. Those who use legal services instead could get help from private attorneys, Ullman said.

U.S. Rep. Hal Rogers, R-Somerset, who represents one of the poorest congressional districts in the country, will play a key role in determining the future of legal aid. He heads the House subcommittee that controls legal-aid spending.

SEE LAWYERS, B4

Lexington Herald Leader
Sunday, June 16, 1996.

Lawyer who fled Nazis fights for civil rights

ASSOCIATED PRESS

John Rosenberg, director of the Appalachian Research and Defense Fund of Kentucky, worked for the federal government on civil rights cases in the South during the 1960s.

ASSOCIATED PRESS

PRESTONSBURG — John Rosenberg acquired his taste for justice the hard way.

Rosenberg was 6 in November 1938 when he, his parents and younger brother were driven from their home next to the synagogue in Magdeburg, Germany. It was Kristallnacht — the "night of broken glass" — and the start of Adolf Hitler's persecution of the Jews.

"They roasted us out of our apartment," Rosenberg, 64, recalled. "They dynamited the synagogue and turned our apartment upside down. It was in the night. They burned all the books. I remember all that very vividly."

The next day, Rosenberg's father, Rudolph, a schoolteacher, was carted off to a concentration camp.

After about a week in the camp, city officials and Jewish leaders were able to secure his release. The family fled to Holland and spent a year in a Dutch internment camp.

The Rosenbergs eventually made it to the United States on one of the last ships to leave Rotterdam before war was declared. They arrived on Feb. 22, 1940, George Washington's birthday.

"We passed the Statue of Liberty and the flags were flying," said Rosenberg, who now lives in Prestonsburg and is director of the Appalachian Research and Defense Fund of Kentucky. "And we thought they were flying, perhaps, for us."

Rosenberg said something that happened much later led him to a law career focused on human and civil rights.

Before attending the University of North Carolina law school, Rosenberg did a four-year stint in the Air Force. While heading back to the South by train after delivering an airplane to New York, a black radar operator traveling with Rosenberg excused himself and headed for the rear compartment.

"I think I always remembered that," said Rosenberg, whose family had settled in segregated Gastonia, N.C., after fleeing Germany.

> **"What I had hoped to do is have a first-class law firm for the low-income citizens of this area."**
>
> JOHN ROSENBERG

In 1962, Rosenberg went to work in the civil rights division of the U.S. Department of Justice.

"It was an opportunity, I thought, to address the issues of segregation in the South . . . and to hopefully create a better society there," he said.

In the summer of 1964, Rosenberg found himself in the middle of one of the formative incidents of the civil rights movement — the murder of three activists in Neshoba County, Miss. He and his wife, Jean, had just been married in 1967 when Rosenberg had to leave to prepare for the trial.

"We came back from my honeymoon and I said, 'Goodbye. I've got to go to Mississippi,'" he said.

In 1970, Rosenberg went to work for the Appalachian program, known as Appalred. When it separated from its West Virginia counterpart three years later, he was named director of the Kentucky operation.

Rosenberg and his staff have spent their time and energy fighting for individual rights. They have taken on large coal companies wanting to strip mine families' property and small cities that were denying equal services to black residents.

"What I had hoped to do is have a first-class law firm for the low-income citizens of this area," he said. "I hope we're doing it. I hope we've done it."

Rosenberg watched this year as Congress tried to eliminate money for Appalred and other programs like it. And he is dismayed by the recent rash of Southern black church burnings.

He said the memories of Kristallnacht keep him where he is.

"I think you're influenced by your past," he said. "Obviously we've always been really grateful for being able to come to the United States. And to some extent, I've always wanted to be able to give something back and make it a better place."

Appalred attorneys mark 25 years of legal aid as cuts loom over future

BY GAIL GIBSON
HERALD-LEADER STAFF WRITER

As a young attorney with the Appalachian Research and Defense Fund, Dean Rivkin saw his colleagues working on cases about housing and welfare issues for people who otherwise couldn't afford legal help.

On Rivkin's desk: an overweight coal truck case.

"I felt like I was from Mars," Rivkin said, remembering the uncommon-at-the-time case.

But Appalred, as the fund is known, and Rivkin's efforts in the 1970s to make coal haulers obey weight restrictions — in turn making roads safer across central Appalachia — marked another example of the legal-aid agency's efforts to improve conditions for whole communities as well as individuals.

Rivkin, now a University of Tennessee law professor, was among the current and former Appalred staff members who came together this weekend to celebrate 25 years of fighting for the little man against powerful coal companies and entrenched bureaucracy.

The program, created during the Nixon administration and based in Prestonsburg, has provided free legal services to more than 100,000 low-income Kentuckians in cases ranging from domestic violence to welfare benefits to land rights.

"I think what's always been wonderful about the program is we've always done everything: from the smallest case to the biggest case," said Stephen Bright, director of the Southern Center for Human Rights who also teaches at Yale Law School and is an Appalred alumnus.

At Appalred, Bright worked on cases to save the Red River Gorge in Eastern Kentucky and a class-action suit to speed the government's processing of disability and supplemental security income applications.

At the University of Kentucky on Friday, current and former Appalred staff members traded stories about cases like the coal trucks and the gorge. But there also were some serious notes about the future.

The Legal Services Corp. has had to fight off efforts in Washington to strip its budget and abolish its programs. This year, legal aid's budget dropped about 30 percent, and it is facing deep cuts again.

On top of that, lawmakers have prohibited legal-aid attorneys from representing inmates, taking class-action lawsuits, lobbying and accepting court-awarded attorney fees.

Bob Brown, head of the Appalred office in Somerset, said he is looking for a private attorney to take over a current disability class-action lawsuit because of the new restrictions.

Director John Rosenberg, who worked in the civil-rights division of the U.S. Justice Department before coming to Appalred, said he expects that his staff in Kentucky still will be able to do 85 percent to 90 percent of the work.

But as Rosenberg greeted the group Friday, he called this an "ominous time" for legal aid.

"I think we all knew, from the start, that we weren't ever going to be given the resources to do everything we wanted to do," Bright said Friday. "... What none of us expected, 25 years later, was to be fighting for its very existence."

The Associated Press contributed to this report.

Lexington Herald Leader
Sunday, June 16th, 1996

LEGAL SERVICES CORPORATION
750 1st St., NE, 11th Fl., Washington, D.C. 20002-4250
(202) 336-8800 *Fax (202) 336-8959*

Alexander D. Forger
President

Writer's Direct Telephone
(202) 336-8820

June 10, 1996

The Honorable Harold Rogers
Chairman, Subcommittee on Commerce, Justice,
State, the Judiciary and Related Agencies
House Committee on Appropriations
H-309, The Capitol
Washington, D.C. 20515

Dear Mr. Chairman:

As you know, the recent death of a woman denied services by Inland County Legal Services (an LSC grantee) has been the subject of a number of newspaper articles and editorials. I want to assure you that the Corporation played no role in drawing attention to this tragedy.

However, as a result of these press articles, as well as the Senate Labor and Human Resources Committee's consideration of S. 1221, the Legal Services Reform Act, LSC has received several inquiries from the press about this matter that require a formal response. Attached is LSC's press statement in response to these and future inquiries.

I also understand that a member of your staff was concerned about my remarks contained in the June 6, 1996, edition of the National Journal's Congress Daily/A.M. In my statement, I attempted to make it clear that I do not believe that the death in California was the intended consequence of the new restrictions on the delivery of legal services contained in LSC's FY 96 appropriations bill, or that you or any other member of Congress was responsible for this tragedy.

As always, I remain available to you to discuss in person this and other LSC matters.

Sincerely,

Alexander D Forger

Alexander D. Forger
President

LEGAL SERVICES CORPORATION
750 1st St., NE, 11th Fl., Washington, D.C. 20002-4250
(202) 336-8800 *Fax (202) 336-8959*

Alexander D. Forger
President

Writer's Direct Telephone
(202)

CONTACT: Niki Mitchell
(202) 336-8871

DATE: June 10, 1996

Legal Services Corporation Responds to Abused Immigrant Slaying

Washington, D.C. ---

On May 7, a 28-year-old Cuban immigrant was murdered by her estranged common-law husband in California. A short time before the murder, a local legal services office had been forced to turn down her request for help obtaining a protective order against him because Congress has prohibited legal services programs from assisting undocumented aliens even if the program uses privately donated money to do so.

Because of media interest in the case Legal Services Corporation President Alexander D. Forger has issued a statement.

Here is the text of Forger's remarks:

Legal services programs are turning away many poor people who seek help because of the sharp reduction in federal funding and congressional restrictions on the types of cases legal services programs are permitted to handle. The program in California was complying with congressional intent in denying services to the woman seeking assistance. Indeed, the program had no other choice.

We hope that the Batista case will serve to encourage Congress to permit LSC programs to represent battered women and children without restrictions.

--30--

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Douglas Pitkin 07/26/99 02:51:39 PM

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John E. Thompson
07/26/99 02:01:03 PM

Record Type: Record

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cc:
bcc:
Subject: Re: LSC event

Following are the relevant numbers re: LSC funding:

1999 enacted: $300m
2000 President's Budget request: $340m
2000 Senate approp (passed full Senate): $300m
2000 House approp (passed CJS subcommittee last week): $141m

Douglas Pitkin

Douglas Pitkin 07/26/99 01:21:36 PM

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cc:
Subject: LSC event

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Katharine Button
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