



American Bar Association

Legal Services Corporation Funding

FY2009 Appropriations/Oversight

Despite strong bipartisan support in Congress and around the country, the Administration submitted its FY 2009 budget request and, for the third year in a row, proposed cutting LSC funding back to \$311 million. Such a cut would have a devastating effect on already financially strapped local legal aid programs.

Appropriations

The Legal Services Corporation is one of the few government-funded entities allowed to submit its own budget proposal directly to Congress. [On February 1, 2008](#), the bipartisan LSC Board of Directors urged Congress to provide a significant funding increase for LSC to [\\$471.4 million](#), \$120.9 million more than the amount provided for FY 08.

On April 02, 2008, the [House Appropriations Subcommittee on Commerce, Justice and Science](#) held a public hearing on LSC's funding. Congressman Alan Mollohan (D-WV) chairs the subcommittee. LSC Board Chair Frank Strickland and President Helaine Barnett [testified](#) on behalf of the Corporation.

The [Senate Appropriations Subcommittee on Commerce, Justice, Science and Related Agencies \(CJS\)](#), led by Chairwoman Barbara Mikulski (D-MD) and Ranking Member Richard Shelby (R-AL), did not hold any hearings related to LSC funding.

[ABA Day in Washington, April 15-17, 2008](#), once again organized bar leaders to educate their Members of Congress about the need for increased funding for LSC. More than 350 ABA and state/local bar leaders participated in this year's program and urged Congress to support the LSC Board's request for \$471.4 million.

Both the House and Senate Appropriations Committees in June 2008 marked up their respective bills that fund LSC. Both Committees provided LSC with a \$40 million increase, recommending \$390 million for FY 2009. Prior to the mark-ups, ABA President William H. Neukom wrote the [House](#) and [Senate](#) Subcommittees in support of the bipartisan LSC Board's requested \$471 million, as a modest step toward closing the "justice gap." President Neukom's letter included two important attachments which further demonstrated nonpartisan, national support for providing more adequate funding for LSC: a first-of- its-kind letter signed by all 50 state bar association presidents (plus D.C., Puerto Rico and the U.S. Virgin Islands) urging Congress to increase LSC funding to at least \$400 million; and the [annual letter](#) circulated by Senators Edward Kennedy (D-MA) and Gordon Smith (R-OR) supporting increased funding for LSC. This year's letter was signed by 55 Senators, with additional Senators sending personal letters to the Subcommittee.

No further action was taken; instead, Congress delayed finalization of most FY 2009 appropriations bills until a new Congress and Administration are in place. A Continuing Resolution (CR) was enacted on 9/30/08 that kept most federal programs, including LSC, at FY 2008 funding levels until at least 3/6/09. As a result, LSC continued at its current level of \$350.49 million until the new Congress addressed funding issues early next year.

On March 11, 2009, the 111th Congress passed and President Obama signed into law the Omnibus Appropriations Act, 2009. P.L. 111-8 includes the June 2008 House/Senate Appropriations Committee-recommended \$40 million increase, funding LSC at \$390 million for FY 2009. (Congress previously extended the CR through March 11.)

In addition to the annual appropriations, the Housing and Economic Recovery Act of 2008 (P.L. 110-289) provides \$30 million for legal counseling for low-income homeowners and renters affected by the mortgage foreclosure crisis. Other attempts to include legal assistance in the stimulus bill and other legislation was not successful.

Oversight

The [House Judiciary Committee](#) ([Subcommittee](#) on Administrative and Commercial Law) and the [Senate Committee on Health, Education, Labor and Pensions](#) (HELP) are responsible for authorization and oversight of LSC.

Neither the House Judiciary Committee nor the Senate HELP Committees held any oversight hearings.

On May 22, 2008, Senator Ben Cardin (D-MD), working with Judiciary Committee Chairman Patrick Leahy (D-VT), convened a Senate Judiciary Committee hearing to document the growing “justice gap” in America. Witnesses included representatives from the Legal Services Corporation, the American Bar Association, the National Legal Aid and Defender Association, and others. The Honorable Lora J. Livingston [testified](#) on behalf of the ABA; Governmental Affairs Office Director Tom Susman [submitted](#) additional material for the record.

The hearing record, testimony and webcast are posted on the [Senate Judiciary Committee hearing website](#).

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