

LEGAL SERVICES CORPORATION
BOARD OF DIRECTORS

COMMITTEE ON PROVISION FOR THE DELIVERY
OF LEGAL SERVICES

Friday, June 29, 2001

10:05 a.m.

Sheraton Harborside Hotel
250 Market Street
Portsmouth, New Hampshire

COMMITTEE MEMBERS PRESENT:

Ernestine P. Watlington, Chair
Douglas S. Eakeley (*ex-officio*)
F. William McCalpin
Maria Luisa Mercado

BOARD MEMBERS PRESENT:

LaVeeda Morgan Battle
John N. Erlenborn
Edna Fairbanks-Williams
Thomas F. Smegal, Jr.

STAFF AND PUBLIC PRESENT:

John McKay, President
Victor M. Fortuno, Vice President for Legal Affairs,
General Counsel & Corporate Secretary

STAFF AND PUBLIC PRESENT:

Mauricio Vivero, Vice President for Government
Relations & Public Affairs
Randi Youells, Vice President for Programs
Patricia M. Hanrahan, Special Assistant to the Vice
President for Programs
David L. Richardson, Treasurer & Comptroller
Mattie Condray, Senior Assistant General Counsel
Leonard Koczur, Acting Inspector General
Lauria Tarantowicz, Assistant Inspector General & Legal
Counsel
Elizabeth Cushing, Communications Specialist & Board
Liaison
John C. Eidleman, Program Counsel III
Michael A. Genz, Director, Office of Program
Performance
Robert D. Gross, Senior Program Counsel III/State
Planning
John A. Hartingh, Special Assistant to the President
Eric D. Kleiman, Press Secretary
Leslie Q. Russell, Director, Office of Information
Technology
Danilo Cardona, Director of Office of Compliance
L. Jonathan Ross, President of the ABA's Standing
Committee on Legal Aid and Indigent Defendants
Connie Lane, Former Executive Director of New Hampshire
Legal Aid and Defendants Association (NLADA)
Linda Perle, NLADA
Don Saunders, NLADA
Clint Lyons, NLADA
John C. Eidleman, Program Counsel III
Marilyn MacNamara, Executive Director of New Hampshire
LARC
Tom Fredenburg, LARC
Maria Del Rio, LARC
Karen Makocy Philbrick, LARC
Ginny Martin, Director of New Hampshire Bar Association
Pro Bono Program
Tom Ryan, President, State Bar of Michigan
Margaret Nichols, President, Michigan State Bar
Foundation
DeeDee Peterson, Director, Wisconsin Equal Justice Fund

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1 P R O C E E D I N G S

2 CHAIR WATLINGTON: Good morning, everyone. It's
3 about five or so after so we're going to get started her this
4 morning. I'm very glad to be in New Hampshire, and it's been
5 really -- the dinner last night was really nice, and
6 sightseeing the place. And I've never seen this many people
7 at a committee meeting, but we're glad that you're here.

8 (Laughter.)

9 I'm Ernestine Watlington, chair. And starting with
10 LaVeeda of the board members to introduce theirselves for the
11 new lady we have taking record.

12 MS. BATTLE: LaVeeda Morgan Battle. Hello, Donna.

13 MR. SMEGAL: Tom Smegal.

14 MS. MERCADO: Maria Luisa Mercado.

15 MR. McCALPIN: Bill McCalpin.

16 MR. McKAY: John McKay.

17 MR. EAKELEY: Doug Eakeley.

18 MR. ERLNBORN: John Erlenborn.

19 MS. FAIRBANKS-WILLIAMS: Edna Fairbanks-Williams.

20 MS. WATLINGTON: And then my committee members are
21 Bill McCalpin and Maria are the new ones that vote, and

1 President Eakeley.

2 And we will start with the approval of the agenda.

3 MR. McCALPIN: I'll move approval.

4 MS. MERCADO: Second.

5 CHAIR WATLINGTON: It's been moved and seconded
6 that we approve the agenda that is before us. All in favor
7 by saying "Aye."

8 (A chorus of ayes.)

9 CHAIR WATLINGTON: Opposed the same?

10 (No response.)

11 CHAIR WATLINGTON: Motion carried.

12 Now, we have a lot to cover today, so I'm going to
13 be very conscious of the time in trying to get this, you
14 know, committee moving that we can accomplish as much as we
15 can.

16 Next we will have the approval of the minutes of
17 the committee meeting of January 26, 2001.

18 MR. McCALPIN: Madam Chair, in order to avoid the
19 corporation being sued for slander by the citizens of
20 Alabama, I would like to move a change in the bottom line on
21 page 4 where it says that the top 1 percent in Alabama pay

1 only 3.6 percent of their income tax. (Laughter.)

2 MS. BATTLE: If I were on the committee, then I'd
3 second that motion.

4 MR. McCALPIN: I suggest that what is intended to
5 say is that they pay only 3.4 percent of their annual income
6 as income tax. And I'd like to move that change in the
7 minutes.

8 MS. MERCADO: Second it. And also, on page 3, on
9 the motion, the first motion, it actually should read Ms.
10 Mercado rather than Ms. Battle since Ms. Battle is not a
11 member of the committee.

12 MS. BATTLE: Okay. Thanks for saving me once
13 again, Maria.

14 CHAIR WATLINGTON: Is there any other changes here?

15 MR. McCALPIN: As amended, I'll move approval of
16 the minutes.

17 MS. MERCADO: Second.

18 CHAIR WATLINGTON: It's been made a motion, with
19 the new changes. All in favor state by saying "Aye."

20 (A chorus of ayes.)

21 CHAIR WATLINGTON: Opposed is the same.

1 (No response.)

2 CHAIR WATLINGTON: Motion carried.

3 And now we'll have a presentation of the New
4 Hampshire program, and John Eidleman will do the presentation
5 and introduce the speakers.

6 MS. MERCADO: Madame Chair, just for point of
7 information, at what point are we going to get some time to
8 read the materials that just got handed to us before the
9 meeting started?

10 CHAIR WATLINGTON: When we have a break in between
11 while the New Hampshire --

12 MS. MERCADO: A break in between? Okay.

13 CHAIR WATLINGTON: That's why we have so much on
14 this agenda.

15 MS. MERCADO: I'm just trying to figure out where
16 to put it on the agenda. Thank you.

17 CHAIR WATLINGTON: And we're giving you 60 minutes,
18 so we'd like for you to stay within that.

19 MR. EIDLEMAN: Madame Chair, members of the
20 committee and board, it's my privilege this morning to
21 introduce to you six leaders of the justice system in New

1 Hampshire to talk to you about how low income people are
2 served in the state.

3 We'll not only hear about the LSC recipient, Legal
4 Advice and Referral Center, also known as LARC, but about the
5 Pro Bono Program and about state planning.

6 What we're going to do this morning is I will
7 introduce the first speaker, and each speaker will introduce
8 the next speaker.

9 Our first speaker this morning is the new Executive
10 Director of LARC, Ms. Marilyn McNamara. But Ms. McNamara
11 actually will talk about pro bono since she just became
12 executive director in June of this year.

13 The Legal Advice and Referral Center was created
14 through tremendous energy and hard work and foresight in
15 1996, and it is the main point of access for poor people to
16 get into the justice system in New Hampshire.

17 Ms. McNamara is a graduate of the University of New
18 Hampshire in 1971. She then worked as a caseworker with the
19 Division of Children and Families for three years, and then
20 attended Franklin Pierce Law Center, where she graduated in
21 1977.

1 She worked as a clinician, running the clinical
2 program, co-director, for one year, and then went into
3 private practice in Lebanon, New Hampshire, where she
4 concentrated in family law. But an important part of her
5 practice was as a volunteer pro bono attorney with the New
6 Hampshire Bar Association Pro Bono Program. She also has
7 served on the governing board and eventually became chair.

8 She's also served on the New Hampshire Judicial
9 Council, Board of Bar Governors, New Hampshire Bar
10 Foundation, and she is the recipient of the L. Jonathan Ross
11 Legal Services Award in 1997. And as I said, as of June this
12 year, she's the Executive Director of LARC.

13 Thank you very much.

14 MS. McNAMARA: Thank you, John.

15 As you know, this is a very collaborative state,
16 which is a good thing for me today because having been at
17 LARC for less than a month, I really can't talk much about
18 LARC as an organization or the intimate details there.

19 But I can talk about the organization Pro Bono.
20 And what I want to do is just describe for you in these few
21 minutes why it is that private attorneys actually represent

1 people for no compensation, or at least my view and one small
2 view of that.

3 But before I do that, I want to acknowledge my
4 predecessor, Connie Lane, who is here. And I have been very
5 fortunate to take over the reins from her of an organization
6 with a very dedicated staff, all of whom, I think, are
7 present here today, or most. Despite the fact that they had
8 no idea what I was going to say or how I would behave, they
9 are here to support me. And I like that in a group, and I'll
10 remember it later. (Laughter.)

11 I want to tell you a little story about a pro bono
12 referral that I accepted. It's going to take me a minute or
13 two to kind of get over my initial nervousness here, but I'm
14 sure you appreciate that.

15 My pro bono story is a client who -- it was a
16 divorce client. I am a divorce lawyer. She was referred to
17 me by Pro Bono, and she was a very needy woman who called me
18 quite often. In fact, she called and would demand that I
19 speak to her immediately, regardless of what else I was
20 doing.

21 And she would call again and again until my staff

1 would insist that I return her calls. I'm talking every hour
2 on the hour, sometimes for a full day.

3 And I was trying to teach her to speak with my
4 legal assistant. Finally, I said to her -- her name is
5 Katie -- "Katie, why don't you talk to my legal assistant
6 like all my other clients do?" And she would say, "No, I
7 prefer to talk to you." Fine.

8 Another one of her irritations, or my irritations
9 with her, was that she would drop in to my office. She had
10 trouble with transportation; whenever she came to town, I was
11 on her list. She'd stop by. If she saw my car in the
12 parking lot, there she'd sit until I came downstairs and
13 talked to her.

14 "Katie," I'd say, "If you would just talk to my
15 legal assistant and get, you know, your information to her,
16 you wouldn't have to wait so long." "No," she said. "I
17 prefer to talk to you." Fine.

18 Well, Katie had some demands, some of which were
19 unreasonable, most of which were based on reason, concerning
20 her divorce, which is why this so-called uncontested divorce
21 took about two years.

1 Fortunately, the case wrapped up after about two
2 years because her husband -- the issues were around
3 visitation with her children -- her husband was, in the
4 course of that two years, arrested, convicted, and ultimately
5 sentenced to New Hampshire prison for having sex with a 14-
6 year-old, which ended the discussions about his visitation
7 rights with the children, at least for the time being.

8 So we were able to reach a stipulation, me and
9 Katie and her husband and his lawyer. We signed that
10 stipulation, and I drove Katie to the courthouse to get that
11 uncontested divorce as quickly as I could. And on the way
12 home, I remember thinking, no more Katie. No more phone
13 calls. No more insistence that I know, you know, be there
14 for her whenever she wanted. And this was going to be the
15 end of the divorce.

16 Well, you know, two or three months later, I was
17 sitting at my desk working at something I'm sure very
18 important when I got a call from the receptionist downstairs.
19 The receptionist said, "Katie's here." And I said, "No."
20 She said, "Yes, Katie's here, and she wants to see you." And
21 I said, "No."

1 And she said, smiling through the phone and
2 growling at the same time the way a good receptionist can do,
3 "You need to come down here and see Katie." I said, "Fine,"
4 because I know when I have tested the limits.

5 I walked downstairs thinking, I really need to
6 convey to this woman that she cannot stop and see many any
7 time she wants. I really need to tell her this time, she
8 needs to make an appointment to see me.

9 Walked down the stairs loaded for bear, of course,
10 and I see Katie standing at the doorway, smiling, kind of
11 shy, looking real pleased with herself, and holding in her
12 hand a little pink teacup with a little floral arrangement in
13 it.

14 I walked up to her and she smiled at me and with
15 great pride in her voice, she said, "I thought you would like
16 this, and I wanted to say thank you." And I could not speak.

17 Rare instance in my life. (Laughter.)

18 In my newly humbled state, I reflected on the fact
19 right then and there that I realized that Katie had given me
20 far more than I had given her. In my irritation and my sort
21 of begrudging attention to her details, I had provided her

1 legal services.

2 But I hadn't really made a big difference in the
3 world because I hadn't done that with any sense of a caring
4 spirit. And Katie in her small moment of gratitude and
5 generosity to me had just taught me the biggest lesson of my
6 legal career.

7 When it came time for me, after traipsing over the
8 state in my divorce practice for 20-some-odd years, and
9 feeling continual call to legal services, and trying to stuff
10 that call down and ignore it and think, no, no, I'm a private
11 practitioner and that's where I'm going to stay, I think
12 about Katie.

13 And I thought about her a lot as I started to
14 consider finally accepting that call to full-time legal
15 services provision, and realized that Katie had been sending
16 me a message, as I think, that leaving my divorce practice
17 and the wing chairs and the tea that I have with my clients
18 for Legal Services was really where I needed to be because I
19 had finally figured out that giving with a caring heart is
20 more important than just simply giving. And to be of
21 consequence in this world, we need to have that caring heart

1 and that spirit.

2 And I'm here now to say, I am looking so forward to
3 the new vision and the new millennium with the Legal Advice
4 and Referral Center, which consists of staff members who
5 truly do have that caring heart. We are privileged in this
6 state to be working and collaborating with the other
7 agencies -- New Hampshire Legal Assistance and the Pro Bono
8 Program, who sent me that referral and therefore sent me that
9 message.

10 And the next person I would like to introduce to
11 you is a man, Tom Fredenburg from LARC, who I think was born
12 with the caring heart that I had to be clubbed over the head
13 to receive.

14 Tom has been in Legal Services for over 20 years in
15 one capacity or another. He, like all the rest of my new
16 staff at LARC, carry with them the sense of mission that
17 brings low income services -- or services to low income
18 people in New Hampshire together in this state.

19 And I'm very proud to introduce Tom to you, who is
20 going to actually talk about the details of the program which
21 are still washing around in my head.

1 Tom, your turn.

2 MR. FREDENBURG: Thank you. Unfortunately, I have
3 notes. I can't do what Marilyn does.

4 My name is Tom Fredenburg. Thanks for having us
5 here. It's very interesting to see the nametags of people,
6 the names that are very familiar to me from reading PAG memos
7 and LSC memos over the years.

8 As Marion [sic] said --

9 MS. McNAMARA: That's okay. He does know my name.

10 MR. FREDENBURG: We have a secretary named Marion.

11 As she said, I'm really proud that I've been a Legal
12 Services attorney for nearly 20 years, 20 years in August.
13 I'm part of what my friend John Tobin called the greying of
14 Legal Services.

15 And just before I forget, I want to ask all the
16 people -- most of our staff is here today and I'd like them
17 to stand up just for a second so you can see the LARC staff
18 that's here today.

19 (Applause.)

20 MR. FREDENBURG: I'm very proud of being LARC's
21 most senior employee. I was the first person hired when LARC

1 started a few years. I was hired even before the director
2 was hired. They had to find a job for me because there was
3 no room at New Hampshire Legal Assistance any more.

4 LARC is a hotline. It's the primary point of
5 access for most low income folks in New Hampshire that are
6 looking for legal services. We have 13 staff, 10.7 full time
7 equivalents because people work different schedules. That
8 translates to anywhere between five to seven advocates on the
9 phone at any one time. That's attorneys and paralegals.

10 That doesn't sound like a great big program, but
11 New Hampshire is not a very big state. We're providing
12 telephone advice throughout the state. New Hampshire doesn't
13 seem like a big place geographically, but a lot of it is
14 quite isolated, and I think Maria is going to tell you some
15 of that. It's hard for people to get to a storefront office.

16 So providing a telephone access for folks is invaluable to a
17 lot of people.

18 Last year, in the year 2000, we handled over 25000
19 cases. That's cases. We handled a lot more calls than that.

20 We get, at different times, up to 100 calls a day from
21 clients.

1 LARC is five years old, not coincidentally, the
2 same age as the restrictions that reflected the shift in
3 congressional thinking five years ago, and we grew out of
4 that shift. And that shift caused a shift in our thinking as
5 well. And when I say "our," I'm talking about the New
6 Hampshire legal and Legal Services community because people
7 in the legal community in New Hampshire care about Legal
8 Services.

9 The planning that resulted in the creation of LARC
10 was pretty comprehensive, pretty well thought out, although
11 we were working pretty fast at the time as well. It included
12 most of the stakeholders in New Hampshire, most of the people
13 that care about provision of services -- the legal community,
14 the nonprofit community.

15 And we came up with what we think has resulted in a
16 better way of service clients, total. All the programs, the
17 main three programs -- LARC, New Hampshire Legal Assistance,
18 and the Pro Bono Program at the bar -- reconfigured
19 themselves to do things differently.

20 We began doing business in a new way. We hadn't
21 had hotlines in New Hampshire before. We hadn't thought

1 about 100 percent access as a goal. And now we have two. We
2 have LARC, and we have a senior hotline funded differently
3 that is based at New Hampshire Legal Assistance.

4 I'm proud to say that we now provide advice in a
5 number of areas and ways that never existed before. We
6 provide consumer and bankruptcy advice that was essentially
7 nonexistent before LARC came into being.

8 In our first year, we increased the number of
9 housing contacts, mostly counsel and advice, in the landlord-
10 tenant area nearly 50 percent. We provide a large amount of
11 counsel and advice -- and I'm trying not to throw a lot of
12 numbers at you -- in the family law area, and that was a
13 service that didn't exist at all before.

14 We provided services to low income people in the
15 family law area, but it was primarily trying to refer them
16 for divorce help. If they couldn't get representation, they
17 didn't get anything. Now we have an intermediate level of
18 service that is invaluable to people that are handling things
19 on their own. We have a debt crisis clinic that is
20 essentially a bankruptcy clinic that provides people with
21 advice from private attorneys.

1 We have other forms of outreach. We are
2 collectively now -- all the programs together are now in
3 contact with many more of New Hampshire's low income
4 community than ever was the case before.

5 And when I talk about the services we provide, I
6 seldom mean just LARC. And that's the way we all talk. We
7 don't talk about just LARC, and at Legal Assistance they
8 don't just talk about NHLA. When we talk about providing
9 services to clients, we're talking about what we all do
10 together collaboratively to make those services available.

11 At LARC, we take calls from 9:00 to 1:00 every day,
12 and Karen Makocy Philbrick, one of our paralegals, is going
13 to describe for you how a LARC advocate spends her day, how
14 that service is actually provided.

15 But our job is refer as many cases as we can.
16 That's the main job: as many cases as we can for
17 representation to the Pro Bono Program, to Legal Assistance,
18 to the Attorney General's Office, to the Disabilities Rights
19 Center, any number of places that can provide that
20 representation.

21 Pro Bono is our main source of referral, so

1 volunteer attorneys are the ones that are carrying the brunt
2 of that load. But for around 71 percent of our callers, what
3 they get from LARC is all they get. That's the service
4 they're going to get, is the conversation they had with us.

5 And that's our challenge, is how to give people the
6 best advice we can to do what they can for themselves. Most
7 people don't talk to us just once; most people call us -- the
8 average is someplace between two and three times. They call
9 us once --

10 MS. McNAMARA: Wrapping up?

11 MR. FREDENBURG: Yes, ma'am. Time to wrap up.

12 Just let me say, I don't think that New Hampshire
13 is doing anything all that extraordinary. What we're doing
14 is the job that needs to be done. We look around, we see
15 what needs to be done, and try to find the best way to get
16 that done.

17 The point is that we're working together. We're
18 keeping our eyes on the main goal, constantly reminding each
19 other of that goal, through state planning, through regular
20 meetings between the three directors of the three main
21 programs, through the MEWS, which is a Legal Services

1 newsletter that we've created, through joint trainings, and a
2 dozen different ways. I'm very proud of what we've
3 accomplished and proud of what we're continuing to
4 accomplish.

5 So since it's my turn to be done, I'm going to
6 introduce Maria Del Rio, who is going to -- she's a staff
7 attorney, began as our community education and outreach
8 person, and now is -- and still does a lot of that, and now
9 is moving kind of back onto the front lines and is the phones
10 every day becoming a consumer advocate.

11 MS. DEL RIO: Thank you. It's a pleasure to be
12 here speaking today.

13 Madam Chair, I will be using the overhead
14 projector, and I would also like to ask permission to roam
15 around as I speak. Will that work?

16 I just want to bring your attention to this map
17 over here. This is a map of the state of New Hampshire, and
18 it's color-coded to indicate where the wealth and where the
19 poverty is in this state.

20 The red areas are where the poverty is located.
21 The green areas are the wealthier towns in the state. And

1 some interesting things about poverty in New Hampshire is
2 that it tends to be concentrated in the northern part of the
3 state and the western part of the state, and those areas are
4 very remote and very rural. Transportation is a big issue.
5 When you live up here, getting anywhere is a big issue.
6 Getting services is a big issue.

7 This area (indicating) is concentrated in the
8 southeastern part of the state. It's on the New Hampshire
9 border and close to where the technology jobs are in
10 Massachusetts. And it's not surprising that the wealth is
11 concentrated in this area.

12 One thing I do want to point out, however, is that
13 our two biggest cities, Nashua, New Hampshire and Manchester,
14 New Hampshire, in absolute numbers actually have far greater
15 numbers of poor people than in these isolated, remote parts
16 of the state that are not very highly populated. But the
17 poverty does tend to be in the north and the west, primarily.

18 I will be using the overhead projector to go over
19 some statistics. Really, what my hope is is that I'll give
20 you a sense of what it's like to be a person living in New
21 Hampshire who qualifies for our services.

1 Sorry. I've actually never used one of these, so
2 is there someone who can -- thank you.

3 What I'm going to do first is I'm going to just
4 present to you some budgets. One is a budget of what it
5 costs to live in New Hampshire if you're making ends meet,
6 and then I'm going to present two clients' budgets to see the
7 reality of what our clients are living with.

8 These figures are what -- they were put together by
9 the Josiah Bartlett Center for Public Policy, which is a
10 bipartisan think tank. And this is what it would cost to
11 just make ends meet in New Hampshire if you're a single
12 parent with two children.

13 You would have to earn monthly \$2,900 just to make
14 ends meet, and, you know, as you can see by the costs there,
15 we're not talking about summer vacations and a second home.
16 This is just making ends meet, sending your children to
17 after-school care, paying your rent, buying the food you
18 need. So the operative number is \$2900 a month.

19 Now, the next slide represents the budget of an
20 actual client. This client is a mother who is on TANF who
21 has two children. She is receiving child support for her

1 children, but all of that child support is going to the state
2 to reimburse the state for the TANF that she receives.

3 Her monthly income is \$772, and this woman actually
4 is in pretty good shape because she has a Section 8 subsidy
5 and her rent is only \$268 a month. So at the end of the
6 month, she's only about \$100 in the red, unable to meet her
7 expenses by about \$100.

8 Okay. Contrast this with a mother who's working.
9 This woman is actually about \$400 short a month in meeting
10 her expenses. For income, she has what she earns and she has
11 food stamps. At the end of the month, she's about \$400
12 short, and she was calling us because she was facing an
13 eviction.

14 A couple of things I'd like to point out about this
15 woman. One is that she is not receiving child support, and
16 the state agency that helps people and children get the child
17 support that they are entitled to has deemed that she is a
18 lower priority than the TANF mother because when the states
19 gets child support for a TANF recipient, that child support
20 goes to the state to reimburse it. So she is a lower
21 priority and has not yet received services, and so is not

1 getting the child support.

2 Another thing I'd like to say about the child
3 support is that if she were receiving her child support, she
4 would be making ends meet.

5 And one last thing about her is that as you can
6 see, her child care expense of \$433 is very high, and when
7 our advocate -- Karen, actually spoke to this client, and
8 when she spoke to this client, she pointed out that the
9 client would probably be entitled to a child care subsidy,
10 and she advised the client to follow up on that. And so
11 that, too, will make a difference for this client.

12 There is a myth that poor people tend to be TANF
13 recipients. They don't work. They're poor because they
14 don't work. And that myth definitely does not play itself
15 out in New Hampshire. These figures are from the Center on
16 Budget and Policy Priorities.

17 The number of poor families with children in New
18 Hampshire totals 13,000, and of those, 9,000 have a worker in
19 the family, which means that 68.4 percent of the poor
20 families with children in New Hampshire have someone working
21 earning a wage.

1 Now, I'm going to be talking a little bit about
2 house prices. And I realize that when I talk about a
3 \$150,000 home, some of you are going to think, wow, what a
4 great price for a home. But you have to put that into the
5 context of, this is New Hampshire and in New Hampshire you
6 earn a New Hampshire wage, not a New York or a Washington,
7 D.C. wage.

8 So in that context, the median price of a new home
9 in New Hampshire was \$150,000. Just to afford a home that
10 costs 120,000, a family would have to earn \$48,000. This
11 means that teachers, police officers, librarians, registered
12 nurses, and Legal Services attorneys cannot afford to own a
13 home in New Hampshire.

14 The cost of a two-bedroom apartment jumped
15 20 percent since 1977, and is now average in the state \$1818.
16 And remember, this is in the context of New Hampshire. In
17 Portsmouth, the rents average \$993 for a two-bedroom
18 apartment, and in Manchester, the largest city, that is a
19 typo. It's \$925.

20 The vacancy rate statewide in the state for
21 apartments is 1 percent. Rents are increasing at a

1 phenomenal rate. People just cannot afford to pay their
2 rent. They can't find an apartment they can afford. A
3 healthy vacancy rate is 5 percent. We are at 1 percent.

4 The southeastern part of the state, that green area
5 on the map, ranks among the hardest places in the nation to
6 find a home.

7 And this is, I believe, the last slide. We have
8 all experienced for the last decade or two an unprecedented
9 economic boom, and we've all had the good fortune of being
10 able to participate in what is an extremely good economic
11 period in our country's history.

12 In New Hampshire, only one-fifth of the New
13 Hampshire families gained in real income during the last
14 decade. So four-fifths of New Hampshire people have not
15 experienced the benefits of the economic boom. Over the past
16 20 years, the income disparity between the state's poorest
17 and richest families grew over 50 percent.

18 And this last statistic is one that I find really
19 startling. 39,000 workers in this state earn less than \$6.15
20 an hour, and it's estimated that over half of these people
21 who are earning less than \$6.15 are over 25 years old, which

1 means that they are probably married and trying to support a
2 family.

3 The figures I have been citing are from "Feeling
4 the Pinch: Wages and Housing in New Hampshire, Executive
5 Summary," by the New Hampshire Housing Form and American
6 Friends Service Committee.

7 You all know that the work we do is really
8 important, and these are the clients who we serve and this is
9 why we think the work is so important, and I think why we
10 come to work every day and are so grateful to be able to do
11 the work we do. Thank you.

12 And I am going to introduce my colleague, Karen
13 Makocy Philbrick.

14 MS. MAKOCY PHILBRICK: Hi. I'm a paralegal at
15 LARC. I've been there since we opened in 1996, and I was
16 with New Hampshire Legal Assistance for ten years prior to
17 that. I do primarily housing and public benefits cases, and
18 I'm going to describe to you the work that I did on a
19 particular day last fall to try to give you a sense of what a
20 day at LARC is like.

21 My day starts at 8:45. I come in and I greet my

1 colleagues, I turn on my computer, and I connect to my
2 headset, my telephone. We're a hotline, and a good part of
3 our day is spent on the phone.

4 At 9:00, the phones open for intake. On this
5 particular day, my first caller took about 45 minutes. The
6 first thing I do is to screen the caller for conflicts and
7 financial eligibility. Then I open an intake and get
8 information about the legal problem.

9 This client is a mother of a 4-year-old. She'd
10 been separated for about four months. She was living in the
11 apartment that she and her husband had rented together.
12 After he left, she got three months' temporary rental
13 assistance from New Hampshire Housing Finance Authority, but
14 she knew that she couldn't afford the apartment long-term so
15 she had given the landlord notice that she would be moving
16 out, and her notice was to become effective about three days
17 from the date that we spoke.

18 She hadn't been able to find a place, and she had
19 no money to move. She had recently started a job earning
20 \$13,000 a year, and she thought that she might be able to pay
21 at least some of the rent herself. But the property manager

1 just kept telling her that she'd already promised the
2 apartment to someone else and that the client had to leave in
3 three days.

4 The client was extremely concerned about being
5 homeless with her son in just a few days. She also had some
6 questions regarding child support and public benefits.

7 I advised the client about the eviction process,
8 and assured her that she could not lawfully be locked out in
9 a few days. I told her to advise the landlord in writing
10 that she was withdrawing her notice, and I told her how to
11 file for a 540-A temporary order -- she can get an emergency
12 order from the district court -- if the landlord did attempt
13 to lock her out.

14 I told her how to apply for town welfare for the
15 assistance that she needed with her rent, and I advised her
16 with respect to the child support and benefits issues, and
17 urged her to call back if she got served with an eviction
18 notice or if she had additional questions or problems
19 regarding the child support and the benefits.

20 The second call was from a disabled man who lives
21 in New Hampshire but was calling from out of state. Part of

1 his disability involved severe anxiety and ADHD which was
2 exacerbated by stress. He had already spoken to New
3 Hampshire Legal Assistance in Portsmouth, and he did not want
4 to go through another intake process.

5 He was a single father and he was temporarily at a
6 relative's home in New York, but believed that his
7 electricity had been shut off. So he was afraid to come home
8 to New Hampshire with his daughter.

9 I got his permission to call New Hampshire Legal
10 Assistance, the town welfare officer, and Public Service of
11 New Hampshire, which was his electric provider. The intake
12 secretary at Legal Assistance was able to clarify for me that
13 he'd been referred to us on this particular day because they
14 had no one in the office that day who could deal with a
15 shutoff emergency, but that they would be perfectly willing
16 and able to meet with him if he got turned down by town
17 welfare, which is the source of general assistance in New
18 Hampshire.

19 I called Public Service and found that the shutoff
20 was not scheduled for another 12 days, which gave him ample
21 time to come back, apply for town welfare, and follow through

1 with Legal Assistance. Both the New Hampshire Legal
2 Assistance secretary and I were able to communicate this to
3 the client and alleviate his fears. This series of calls
4 took just over half an hour.

5 The third caller was a single older woman who had
6 been referred to Pro Bono in an eviction case but had not yet
7 heard if she was accepted. She was calling back because she
8 had now gotten a new notice to quit that alleged four
9 separate grounds for the eviction.

10 After I got information from her about the notices
11 and about the factual allegations and how she disputed them,
12 it appeared that she did have some defenses to the eviction.

13 I checked on her status with Pro Bono and advised her that
14 she'd been accepted but not yet been referred.

15 I amended the advice that I had given her
16 previously based on the new notice, and I sent the updated
17 information to Pro Bono. I spent about three-quarters of an
18 hour on the phone with the client and about 15 minutes
19 dealing with Pro Bono.

20 The fourth caller was an unemployed man who had
21 been served with a defective notice to quit. His rental

1 situation was somewhat complicated by the fact that his
2 landlord had been his employer. The landlord was now
3 threatening to lock him out at the expiration of the notice
4 to quit. This client also hoped that he had another job that
5 he'd be starting in just a few days, which would have made
6 him clearly ineligible for LARC or for Pro Bono.

7 I advised him about the eviction process, again
8 about the 540-A process if he were to face a lockout, and
9 spent some time discussing his defenses to the eviction. I
10 also referred him to the labor board regarding his final
11 wages, and I invited him to call back if he didn't get the
12 job so that we could consider a pro bono referral for the
13 eviction.

14 The fifth caller was a client who had an eviction
15 hearing scheduled in less than an hour from the time that I
16 got on the phone with him. He had gotten our pamphlet at the
17 courthouse, and he was calling to ask questions about
18 discovery.

19 I had to advise him it was a little too late to do
20 discovery, but I was able to advise him about how to present
21 his factual defenses. I spent about 20 minutes on the phone

1 with him.

2 And the last caller during intake hours was a man
3 who was financially eligible only for counsel and advice in
4 housing under a separate grant that we receive from the New
5 Hampshire Housing Finance Authority.

6 His landlord was planning to sell the duplex in
7 which he and his girlfriend lived. There was no buyer as
8 yet, and the client had not gotten any notices. There were
9 also some ongoing conditions problems in the apartment.

10 He has lots of questions about his rights and
11 options, and particularly wanted to know what kind of
12 bargaining position he might be in with the landlord.
13 Additionally, he had a Social Security disability insurance
14 appeal pending and wanted to know about getting
15 representation for that.

16 I answered his questions about the housing
17 situation and referred him to our website for our pamphlets
18 on tenants' rights, the eviction process, and security
19 deposit law. I told him that I could not make a referral for
20 him in the Social Security case because his income was
21 actually a little higher than the New Hampshire Legal

1 Assistance limits, again, because of the New Hampshire
2 Finance Authority grant that we receive.

3 But I told him that he could contact a private
4 attorney, and I referred him to the lawyer referral service
5 at the bar association. That call took about a half an hour.

6 In the afternoon, I spent about a half an hour with
7 Tom and Ricky Snow, another attorney in our office, regarding
8 some LARC board committee issues. I spent about half an hour
9 consulting with another advocate about one of her clients who
10 had benefits questions.

11 And I spent the rest of the afternoon following up
12 with prior clients who had either called back with additional
13 questions or for whom I had additional advice after I had
14 done some research or consulted with a supervising attorney
15 regarding their cases.

16 And now I'm going to introduce Ginny Martin, who is
17 the Director of Pro Bono.

18 MS. MARTIN: Thank you. It's a real pleasure to be
19 here today, and welcome to New Hampshire. I'm just sorry
20 that you didn't come earlier in June; we were trying to
21 convince John McKay to play in the pro bono golf tournament

1 with Marilyn McNamara. And no disrespect, Marilyn, but Mr.
2 McKay did avoid being on the highest grossing team in the
3 golf tournament.

4 I really want to thank you all for your commitment
5 to justice through support of private attorney involvement.
6 New Hampshire enjoys one of the strongest pro bono programs
7 in the country, and I have been fortunate to be associated
8 with it and build on the work of others. You know, we have
9 Steve Scudder in our audience, others who have contributed so
10 much to make it the program that it is today.

11 About a third of the attorneys in the state
12 participate in pro bono. It's one of the highest
13 participation rates in the country. They donate
14 approximately one and a half million dollars in free legal
15 services each year for clients who are really in desperate
16 need of representation in matters of critical importance that
17 can range from preserving their homes, custody of children,
18 safety and protection from abuse, a fresh financial start.

19 Every day, I cannot tell you, I am so impressed and
20 I'm moved by the work that attorneys do for free. I just
21 reviewed a case -- I was looking at closing cases, and John

1 Ross is sitting in the audience, someone who does so much for
2 Legal Services. And, you know, he does his individual pro
3 bono cases, represents individual clients.

4 I wanted to read just an excerpt from a letter that
5 a pro bono attorney wrote to a client recently, and he copied
6 me on it. This was a woman seeking a divorce, a woman who
7 had been battered during the course of her marriage. And
8 this is the letter this relatively new attorney wrote.

9 "It was a pleasure working with you on this case.
10 Knowing your financial situation, it was especially
11 meaningful to me that you gave me \$100 cash for my services
12 as I truly feel that helping you was payment enough. I have
13 donated the \$100 in your name to the New Hampshire Pro Bono
14 Referral System.

15 "Just in the few months we have worked together,
16 you have made great strides toward improving your life. I
17 know you will continue to work to better yourself and hope
18 that you can return to work in the near future."

19 We know that the private bar, as much as they do,
20 is unable to meet the entire need. And there are staffed
21 Legal Services programs, and the Legal Services Corporation

1 plays such an important role in delivering legal services and
2 helping to strengthen access to justice for all.

3 About 70 percent of the cases at Pro Bono are
4 screened by the Legal Advice and Referral Center for
5 financial and case type eligibility. LARC identifies those
6 cases where full representation is needed for the person to
7 really be able to achieve his or her goal. And let me tell
8 you, they are very good at identifying people who are in very
9 critical needs, and very difficult issues come our way to the
10 Pro Bono Program.

11 And I just wanted to share one brief story, and I
12 have to say, Bob Gross, I owe you a debt of gratitude. You
13 were the one that taught me the importance of using client
14 stories in conveying the importance of the work that we all
15 do.

16 This was a not atypical client referred to us by
17 LARC, a client living in a virtual nightmare, a woman who was
18 suffering from cerebral palsy confined to a wheelchair, and
19 her physical condition, however, didn't stop her husband from
20 assaulting her and abusing her, attempting to strangle her.

21 She was referred to the Pro Bono Program where I

1 have a wonderful staff at Pro Bono, people who worked with
2 this woman. They were able to find an attorney to represent
3 her, an attorney experienced both in family law and domestic
4 violence as well. We do special training for attorneys in
5 the domestic violence arena.

6 This attorney assisted her through the divorce and
7 did help her get an extension of her restraining order, and
8 helped her to embark on a much safer, brighter path in her
9 life. Made a huge difference and perhaps, indeed, I don't
10 think it's an understatement to say that this attorney helped
11 save this woman's life.

12 Domestic violence is an area which all three
13 programs really focus on. It's a priority for all of us.
14 And I'm really pleased that the American Bar Association has
15 recognized the work of the New Hampshire Bar, our activities
16 through our Domestic Violence Emergency Project, which is a
17 collaboration with Women's Crisis Centers. And we utilize
18 volunteer attorneys, attorneys at New Hampshire Legal
19 Assistance, attorneys at LARC, who participate in doing 173-B
20 cases.

21 We've gone on to expand the domestic violence work

1 we do in many ways, and it's great to know that we're
2 considered a model. And that's a tribute to many of the
3 people -- the efforts of many people, collaborative efforts
4 that go into that.

5 I would like to end by saying that the
6 collaboration that we enjoy in New Hampshire, while it's not
7 always easy, it's something that has really very deep roots.

8 And there are many people sitting in this room today that
9 have been involved, did a tremendous amount in that regard.

10 And I particularly wanted to again acknowledge Bob
11 Gross. I used to work with Bob at New Hampshire Legal
12 Assistance for many years. Bob worked with the bar. The bar
13 and Legal Services programs in New Hampshire have worked very
14 closely together in a collaborative way.

15 And what we've done is really build on some of that
16 work. Bob had the foresight to really get statewide planning
17 involved. I was able to work on that. And we've taken many
18 steps since that time. We have a strong foundation.

19 I guess I'm getting the hook.

20 MS. McNAMARA: It's such a gentle hook.

21 MS. MARTIN: Right. I could go on and on

1 because --

2 MS. McNAMARA: But you won't.

3 MS. MARTIN: I just want to say one more thing.
4 The commitment to justice in this room is amazing. Edna
5 Fairbanks Williams and I served on the Northeast Regional
6 Training Council for many years dealing with attorney
7 training regionally. There are just so many people that have
8 given so much of themselves to insure access to justice for
9 all.

10 And one of those people I have the pleasure to
11 introduce is John Tobin, someone I've known for many, many
12 years. His entire career has been spent in Legal Services.
13 He was my first boss when we worked in the office of New
14 Hampshire Legal Assistance many years. And I'll turn it over
15 to John.

16 MR. TOBIN: Good morning. I'm John Tobin. I'm the
17 Director of New Hampshire Legal Assistance, and I'm the
18 greying and the balding of Legal Services. (Laughter.) And
19 there's distinguished company around here, I've noticed.

20 Welcome to New Hampshire. Welcome to Portsmouth.
21 New Hampshire Legal Assistance is a program that provides a

1 range of legal services to people across the state in four
2 offices, one of which is about two blocks from here. We have
3 about 40 staff. We have about 25 funding sources.

4 And one of the things I passed around was an
5 article from the Boston Globe about New Hampshire Legal
6 Assistance. We are proud to be celebrating our 30th
7 anniversary this year. And the article is one of those
8 things you send home to your mother or put on the
9 refrigerator. It's a celebration of our accomplishments.

10 And one of the things I want to say to all of you
11 is for about 25 of 30 years, we were an LSC program. And so
12 those accomplishments are your accomplishments, too. And we
13 are really proud of our association with LSC. We are proud
14 of what we did together. We are proud of our history.

15 One of the things about our history is that people
16 from New Hampshire had a lot to do with preserving Legal
17 Services in its darkest hour. Senator Rudman had a lot to do
18 with that. Bob Gross had a lot to do with that.

19 And as Ginny has alluded, I don't want to go so far
20 as to say that we invented state planning up here because
21 people talking about inventing things gets them in trouble.

1 But Bob Gross taught us state planning in the early '90s, and
2 Bob Gross inculcated state planning as an ethos, as a world
3 view in New Hampshire. And that's something that we've
4 absorbed.

5 And Bob Gross was involved in setting up IOLTA in
6 New Hampshire. He was involved in setting up Pro Bono in New
7 Hampshire. It was his vision that helped create LARC in New
8 Hampshire. And we've tried to absorb and carry on that
9 vision.

10 And it's not to say that we don't have
11 disagreements or misunderstandings or make mistakes. But we
12 do have the view that we have one delivery system. We have
13 different delivery sites; we have different projects; but we
14 have one system. And the point of the whole exercise is to
15 have a system that works for clients. And that's what we try
16 to do.

17 The other thing that I passed around to you was a
18 very brief list of what I call the fruits of state planning
19 in New Hampshire. And they are numerous. Joint fund-
20 raising, law school loan assistance, a collaborative approach
21 to technology, substantive planning, a very collaborative and

1 coordinated approach to common funders.

2 What I want to do in my two minutes before Marilyn
3 gives me the hook is talk about two of those. And one of
4 them is the joint fundraising. And when matters of money are
5 at stake, we first behaved as lawyers, and we came up with a
6 memo of understanding.

7 But what we really did was we took a leap of faith.

8 We decided that we could work together, and that our vision
9 was that working together we could raise more money and do
10 more good for our clients than if we operated individually.

11 Initially, Pro Bono had had fundraising programs.
12 A lot of hard work by Ginny and Bob had gone into those. But
13 we decided that working together, working under the aegis of
14 the Bar Foundation, we could do more and go further. And so
15 that's what we're doing.

16 And so we have launched this year the Community
17 Campaign for Legal Services. And it is truly cooperative
18 exercise: the bar, the Bar Foundation, all three of our
19 programs, our boards.

20 We've just started. Our goals are ambitious and we
21 don't have all the money in yet, that's for sure. But it's

1 something we're very proud of, and I think it bespeaks well
2 of what we're talking about.

3 The other thing that I wanted to talk about, and I
4 know this is something that is on the minds of people at
5 Legal Services, and we have taken a step and we hope that you
6 will take many more steps, and that's law school loan
7 assistance.

8 And when we talk about that, we're talking about
9 the future of Legal Services, when those of us who are grey
10 and bald are gone. We need another generation of Legal
11 Services people, and that generation faces barriers that we
12 didn't face.

13 And we've worked together to create a loan
14 assistance program that has already made a difference for us
15 in recruiting people to all of our programs. And we decided
16 this year to expand it to our disability program as well.

17 Our salaries are still really low, and if the law
18 students really did the math, they'd still think they can't
19 afford to work here. But the fact that we're making a
20 commitment to pay their loans seems to make a difference when
21 we recruit them.

1 And again, it's something that we're doing
2 together. We started this as a project that would help
3 everything, and that's the way we're going to do it.

4 So that's the way we try to do things. We are very
5 grateful for the support of the Legal Services Corporation,
6 for LARC, and for state planning. And we thank you very
7 much, and we hope you enjoy New Hampshire.

8 MS. McNAMARA: Thank you, John.

9 Just to wrap up -- and by the way, we built in a
10 little time for questions, so if you have any or you just
11 want to praise us for our efforts, please feel free.

12 (Laughter.)

13 I do want to wrap up by telling you that we are
14 mindful that we do have challenges, just as every state does,
15 and that we picture some of our challenges in the future to
16 be dealing with a housing crisis that as you could see, with
17 a 1 percent rate, is indeed a crisis; that we have new
18 challenges in embracing an immigrant population in New
19 Hampshire.

20 We've had immigrant populations in the past. They
21 have been absorbed. We have new immigrant populations that

1 bring with them challenges of language, for example, and
2 cultural differences. We are home now to a Bosnian
3 population, for example, and other populations which we have
4 no cultural experience with, and we are learning and grateful
5 for the opportunity to be home to those people.

6 Speaking of home reminds me as I wrap up that, you
7 know, Robert Frost, who is a poet that we claim as our own
8 here -- I think he was born here; if not, he should have
9 been -- wrote in a poem called "The Death of the Hired Man,"
10 that "Home is the place where if you have to go there, we
11 have to take you in."

12 And we as a legal services community here in New
13 Hampshire consider ourselves home for those people who need
14 us. We consider it our charge to take them in. And we ask
15 for your cooperation and your work, too, as we go forward
16 together in this partnership. And I thank you very much.

17 CHAIR WATLINGTON: Thank you. We've really enjoyed
18 it.

19 (Applause.)

20 MS. McNAMARA: Do you have questions?

21 CHAIR WATLINGTON: Well, we were saying that we

1 wondered if the board did they have any questions, and we'll
2 give them a few minutes before we go on.

3 MR. SMEGAL: Yes. I don't have a question. I have
4 statement to make.

5 This is my third visit to New Hampshire in the
6 course of the last 15 years, and I wanted to reminisce a
7 little bit. I'm one of the greying and balding -- I didn't
8 know it was a multiple choice, by the way. (Laughter.)

9 Fifteen years ago, there was a young man who was
10 president of the New Hampshire Bar who apparently has died
11 because you mentioned somebody who had won the award, the L.
12 Jonathan Ross award. I didn't realize he'd passed away.

13 But anyway, he was president of the New Hampshire
14 Bar in that particular year; I think it was 1986. And who I
15 was here with included such household names as Bernstein,
16 Wallace, and Durant. And the ABA was not with us that day,
17 but Jonathan Ross came and made a presentation, and these
18 people picked on him.

19 And I guess it may not say this on your license
20 plates, but I think it's don't get mad, get even. And L.
21 Jonathan Ross and Mike Grecko and the president of the Texas

1 Bar at that time did get even. They organized the Bar
2 Leaders for the Preservation of Legal Services here in New
3 Hampshire, I think.

4 And my recollection is was conducted out of an
5 office here, maybe somebody named Terry, maybe Bob Gross,
6 some others. Had a newsletter. Organized all the state and
7 local bar associations across the country in the absence of
8 the ABA, and I keep emphasizing that.

9 We're here today. It's a different board. I was
10 here in the interim one other time with Charlie -- I'm
11 blanking on him -- Charlie Dorsey, and we addressed the New
12 England Bar up here. And it was another great experience, as
13 the one today is.

14 And I am pleased to see that L. Jonathan Ross is
15 not only alive but here as the representative of the ABA who
16 has come back to the table since 1986 when I was first here.

17 Thanks, Jonathan.

18 CHAIR WATLINGTON: Are there any others from the
19 board? At the end of the meeting we will open it to the
20 public. But now to expedite things, we will keep it, you
21 know, just for the board now.

1 And for that to continue allowing those people to
2 read, we're taking a five-minute break right here, right now,
3 before we go into the next session. And I personally really
4 enjoyed, and to be here with Judge Broderick in his area.

5 (Applause.)

6 (A brief recess was taken.)

7 CHAIR WATLINGTON: Continuing on with our agenda,
8 we'll now have the presentation by Don Saunders and Clint
9 Lyons of NLADA on state planning.

10 MR. LYONS: Madam Chair, Don will join me shortly.

11 Good morning. I want to thank you, Madam Chair, for this
12 opportunity, and I want to thank the members of the committee
13 and the board.

14 And I want to apologize. I sent you a
15 communication on the 27th of June, which you apparently were
16 in travel status as it was working its way to you. And so
17 apparently all of you did not receive it until you got here.

18 So I apologize that some of you may not have had time to
19 really take a look at it and read it.

20 I'm going to be as brief as I can. In that
21 communication I sent you, you will note that officials of the

1 Legal Services Corporation, John McKay, Randi Youells, Mr.
2 Erlenborn -- he's permitted me to call him John -- Doug
3 Eakeley, and others have been working to try to come together
4 around some of the issues we will briefly describe today and
5 try to come to some common ground in making some mid-course
6 corrections in the way we do state planning.

7 So with that in mind, you know, I'm a little
8 reluctant to sit here and follow the most edifying
9 presentation by the folks from New Hampshire. But I'm sure
10 you will understand that in order for the people in New
11 Hampshire to have gotten where they are in their efforts on a
12 statewide level, there must have been some hard work.

13 I think Bob Gross will probably tell you that. I
14 think they will tell you there have been some problems, and I
15 think they will take you that they have made some mid-course
16 corrections. And that is, in effect, the intent of my
17 presentation today. And let me just get to it.

18 All of you know that the NLADA board of directors,
19 the civil policy group, as the governance entity of NLADA is
20 comprised of people who work in programs much as the people
21 you heard from today. They are executive directors. They

1 are managers. They are staff lawyers. They are clients.

2 They are staff paralegals.

3 And for months, the civil policy group and the
4 board had been following and working and hearing about issues
5 and problems around state planning. And two weeks ago, three
6 weeks ago, they presented a list of issues to the board of
7 directors. I took that list, culled it into a presentation
8 to our executive committee, and asked them to give me the
9 authority to address those issues with the staff of the
10 corporation and with the board of directors, which I did do.

11 And the issues that we are really talking about
12 relate to concerns in the state planning process that we
13 think have arisen out of some needs we have to develop some
14 standards and to develop those standards related to the
15 process and related to the final decision-making.

16 We view state planning as an opportunity to achieve
17 some goals, and the main one goal is to bring together local
18 stakeholders in the bar and local legal services programs and
19 IOLTA programs, and the whole cadre of persons who are
20 involved in delivery of legal services at the local level,
21 LSC-funded providers and non-LSC-funded providers.

1 And so the theory is that if you can bring those
2 people together and they have responsibility in an
3 integrated, coordinated way of delivering legal services at
4 the state level, then the second stage or goal of that, which
5 is LSC-funded programs working together to provide the most
6 effective services to as many clients as possible, that those
7 goals will be achieved.

8 And that is really what we're talking about here.
9 We're talking about ultimate outcomes, and making the kind of
10 corrections that are needed in order to make sure that we
11 maximize our success in state planning as universally as we
12 can.

13 There have been some problems, and those problems
14 in the main relate to charges and perceptions by some in the
15 field. And I'm the first to admit that our community is not
16 of one mind about state planning.

17 And from where I sit, where my board sits as an
18 institution, we believe that state planning is an appropriate
19 approach to achieving the goals I just talked about. We
20 believe that the corporation's initiative has yielded great
21 successes in many areas, and what our goal here is is to try

1 to talk about universalizing, if you will, those successes
2 and cutting off some of the problems that may come about.

3 Some of those problems relate to when you have a
4 group of stakeholders at the local level who feel that their
5 state planning process and the outcomes of that state
6 planning process have not been accepted by the Legal Services
7 Corporation and the Legal Services Corporation has
8 substituted its judgment for that state planning process,
9 then the stakeholders there feel disenfranchised.

10 So the risk there is that there will be a
11 fracturing of the coalitions that are necessary to achieve
12 the objectives of state planning. So that is one of the
13 problems.

14 Another problem relates to timing. A number of
15 grantees and state planning coalitions believe that they have
16 been told without very much notice that they have to
17 implement a particular plan, and they feel that they should
18 have had more time; otherwise, it's almost impossible for
19 them to do that.

20 One problem that has been particularly of concern
21 to me is I believe, and I think in my experience what we know

1 is, that the mandating of change does not necessarily mean
2 change occurs in an effective way. And we all know that
3 change does not occur immediately. It occurs over time.

4 So there needs to be some flexibility in decision-
5 making so that when problems arise, and if there's a
6 fracturing of the local coalitions, if there is friction
7 between the Legal Services Corporation and the state
8 planners, then there ought to be some opportunity to maybe
9 step back from the process and see whether or not any
10 adjustments are in order; to see whether or not the
11 leadership coalition on the ground is capable of carrying out
12 the plan; to see whether or not there is a leadership
13 coalition on the ground that can carry out the plan, and if
14 not, what do we do about that? How do we provide help in
15 making all of that happen?

16 And I think that some of the situations that you
17 have been told about, the Michigan situation for one, is a
18 result of those kinds of circumstances developing on the
19 ground. And I think what is needed is stepping back from a
20 situation like that and, before a final judgment is made, to
21 say, you know, is there anything we can do to fix this? Is

1 there anything we can do to bring the coalition that we are
2 going to need to survive the decision, to carry out the plan,
3 whether or not that can happen.

4 I believe that an approach like that would go a
5 long way towards dealing with some of these problems. The
6 risks and the dangers that we face in achieving universal
7 success, some of the risks are controversy winding up in the
8 Congress. That's not a good thing at all for Legal Services
9 because we are a politically charged movement, and as hard as
10 we try, the least little thing that winds up into Congress
11 can attract opponents and we have problems.

12 The worst thing, though, I think that can happen is
13 that when we don't have the coalitions on the ground and the
14 leadership on the ground that can carry forward with the
15 mandate and intents and purposes of state planning.

16 So we believe that there are several things we need
17 to do. We do need to develop some standards that can be
18 applied in the process and in the decision-making. The
19 corporation and its directors to the programs, starting with
20 program rider 95-1, continuing with 98-1, and so on, has set
21 out a number of core values, concerns, and issues to be

1 addressed by the state planning process.

2 But those are not operative standards that really
3 clearly define what is expected of the state planners, what
4 is expected of the corporation in making decisions. We have
5 to make those corrections. And I think we can do that.

6 We're also concerned that the ultimate decision-
7 maker, and we believe that in terms of how decisions get
8 made, that there ought to be some kind of review between an
9 initial announcement of the corporation's decision and an
10 ultimate decision.

11 I think that -- I know that we're prepared to work
12 with you, and we think that if standards are developed and we
13 have that kind of process where you have an initial decision
14 and then some opportunity to review without saying
15 specifically what that review procedure is, I think that
16 we're going to be in a much better place.

17 Now, you know, when we use terms like standards,
18 review, and all of that, without definition, it conjures up
19 all kinds of mechanisms that one might agree with or not
20 agree with.

21 We're political realists here. We have a history

1 of this program. We work in this program every day on an
2 ongoing basis. Ninety-five percent of the programs that you
3 find are our members. They sit on our board. We interact
4 with them every day. Don has been on the ground monitoring
5 the process of state planning.

6 And so we understand the political realities. We
7 do understand that there has to be a process in place where
8 there is closure to this decision-making. We understand that
9 there has to be a process in place that respects the
10 statutory authority and responsibility of the corporation and
11 its president to make a decision. And we are prepared to
12 talk on those bases.

13 I want to thank Randi and John McKay and John
14 Erlenborn for giving me and Don a respectful hearing around
15 the views and issues we raise in this letter. I think that
16 we can't address all of the issues today, and they wouldn't
17 let us even if we could given the time frame she's operating
18 under, to define all of these issues like standards and
19 review processes and all of that.

20 But at some point I think if you have questions
21 about it, Don and I can talk a little bit about how we've

1 tried to think about these issues. We have not come to
2 closure in our minds about what it is that is required.

3 We are prepared to work with you. We want to work
4 with you. But most importantly, I'm here to tell you, and I
5 made a point of being here and giving the authority of my
6 office to what I say to you, which is that we support state
7 planning and its goals and objectives. We want to work with
8 you to make it a universal success.

9 We thank John McKay for his efforts as a change
10 agent and making things happen and other contributions he has
11 made. We know that we can work with John Erlenborn and
12 Randi. We're prepared to do that, and hopefully we can move
13 forward and not be afraid to make adjustments, not be afraid
14 to make change, not be afraid to say that we don't always do
15 things right the first time, to accept our success.

16 And there has been success. Let's be very clear
17 about that. But we want to have universal success, and there
18 are some corrections we need to make. And I think if we work
19 together over the next several weeks and months, we'll
20 achieve that universal success.

21 I'm happy to answer any questions, to have Don

1 respond to any questions that you have. But thank you very
2 much for giving me this opportunity to speak to you.

3 CHAIR WATLINGTON: We appreciate that, and we're
4 looking forward to working together. And we know that these
5 two organizations have had to work together through many
6 years, hard times and good times, and it takes everybody
7 making it work.

8 Is there any questions from the board? Don, are
9 you going to address first?

10 MR. SAUNDERS: I will be very, very brief, Madam
11 Chair.

12 CHAIR WATLINGTON: Thank you.

13 MR. SAUNDERS: It's always a pleasure to address
14 you and your committee. It's really been a privilege.

15 As Clint suggests, and as I think many of the staff
16 know, I have been working, as my colleagues have, in devoting
17 the same energy you have to this issue across the country.
18 And I have been witness in many, many states to the
19 significant progress that has resulted from this initiative,
20 for which you should be proud, for which John and Randi
21 should be proud.

1 This is not an indictment of state planning. You
2 probably don't share my views about our positions of mergers,
3 but we've worked very closely with a number of states and
4 with your staff to make those difficult consolidation issues
5 go smoothly. And I think there's a number of successes.

6 But it's been clear to us that the genius of this
7 whole new approach to legal services is the creation of and
8 maintenance and nurturing of an enduring capacity at the
9 state level to take responsibility for the delivery of legal
10 services.

11 I think we have served a good role in sort of
12 providing you with feedback throughout the course of this
13 process, and that's what we're trying to do today. I think
14 the concerns that we raised with you very directly have
15 significantly been addressed by John's response.

16 I think, rather than getting into any of the
17 details, that I will just say that my colleagues in our
18 organization are very committed to working through the
19 construct on those issues. We might have some points we
20 differ on, but we have a process to talk about those
21 concerns.

1 There are not a lot of states that are going to be
2 problems in the next year, but there are some. And I think
3 you have given us an outline of a very workable model where
4 we can continue in a workable partnership with you. We will
5 continue to represent our members' interests, but I think
6 that relationship has been positive and has served our
7 community well.

8 It might be my last opportunity to wish you well,
9 Mr. McKay. It has been quite a privilege to work with you.
10 And Congressman Erlenborn, I can commit my colleagues very
11 strongly to work under the context of John's letter to
12 address these issues. And be happy to answer any questions
13 with Clint.

14 MS. MERCADO: Madam Chair?

15 CHAIR WATLINGTON: Yes.

16 MS. MERCADO: On your second page of your
17 memorandum that was sent to John Erlenborn, in the second
18 paragraph it talks about the NLADA's experience in monitoring
19 five years of state planning efforts, you discuss in that
20 paragraph a publication produced by NLADA and CLASP and the
21 Project for the Future of Equal Justice regarding a detailed

1 description of what an integrated state delivery system
2 should be.

3 And furthermore, another memorandum that dealt with
4 the guidance on Program Letter 2000-7 on the integration
5 process. And I was just curious: It's possible that two
6 years ago or a year ago you may have given us that, and maybe
7 I just didn't recall it.

8 But I just wondered whether in the process of this
9 continuing dialogue we could get a renewed copy of these
10 memos and positions because I'm sure that that will lessen
11 all the discussion points and we can look at that as a
12 starting point that was initially undertaken by NLADA to us.

13 And as I said, we did not have this present with us
14 today.

15 MR. SAUNDERS: A number of those communications
16 were between us and our membership. Obviously, we copied and
17 worked with your staff, but we can get them to the board and
18 certainly will. Several of them were directed to your staff
19 and they're available and we'll get them to John and Randi.

20 CHAIR WATLINGTON: Any other questions from the
21 board?

1 MS. BATTLE: Well, I would just like to say how
2 much I do appreciate the presence of Clint Lyons and Don
3 Saunders here today to articulate the concerns, and the way
4 that you articulated the concerns that you have at this
5 point.

6 Certainly the process that we have undertaken in
7 the last five or six years is new for us, too, in the way
8 that we have done it this time. And I do think that what you
9 have proposed to us to look at is reasonable and is something
10 that we should take into account in our decision-making.

11 MS. MERCADO: And I just want to follow up.
12 Another part that I sort of wanted to make sure that in the
13 development of this further dialogue, we certainly pay close
14 attention to, on your page 5, of suggestions for process
15 modifications, under your section of principles.

16 In particular, I was looking at the second bullet,
17 which dealt with the fact that LSC not only should be looked
18 at as a catalyst, but as a partner for the stakeholders. And
19 it may be in developing that a little bit broader, that many
20 times is being a partner. It may mean that Legal Services,
21 by its very nature, is going to have to allocate more funds

1 to be able to do some of this processing and merging and have
2 you with a little bit more. And maybe this is a goal in
3 looking at, that that's one of the budgetary issues we ought
4 to look at and that process.

5 And in the third bullet, you have that in the
6 absence of legislative or mandated due process procedures and
7 protections for local grantees undergoing these fundamental
8 changes, that we should make sure that we communicate clear
9 standards and guidelines; but not only communicating the
10 clear standards and guidelines, but in effect setting up a
11 system that does have due process, a due process, whether
12 that's an oversight or an overview committee or however that
13 is developed.

14 That ought to be some of the discussions that we
15 have as an LSC entity board as well with out stakeholders and
16 partners, the NLADA, the ABA, CLASP, and everyone else.
17 That's definitely an area that we're going to have to develop
18 more specifically so that due process is instead understood
19 as to how that's going to occur.

20 And of course you've already discussed on the third
21 bullet point the flexibility and providing sufficient times

1 to implement. You know, in some areas it's difficult to
2 implement quickly, either because of populations or funding
3 cycles or client situations, and that we work in setting
4 those standards on what the flexibility as far as 90 days
5 versus a year versus two years to integrate.

6 So I thank you for recommending those to us.

7 CHAIR WATLINGTON: Is there any other questions?

8 MR. ERLNBORN: May I just say that I appreciate
9 your being here today and outlining the issues as the NLADA
10 sees them. I appreciate also the fact that you sat down with
11 John, at one time with me, and at another time you talked
12 quite a bit with Randi about how your concerns might be
13 addressed.

14 The letter that you referred to that John sent to
15 you is known to me. We discussed it before it was sent to
16 you. And I stand by that. That's not just John's
17 communication with you, but consider it mine as well.

18 And I think we've gone a long way in our
19 discussions toward relieving some of your concerns, and
20 within the framework of the statutory obligations of the
21 Legal Services Corporation, I think we will have an agreement

1 some time soon.

2 MR. LYONS: Thank you, sir. I agree with that, I
3 think we're on the same page. And it's been my pleasure to
4 work with you in the short time that I've had to talk with
5 you. And John and I go back. Sometimes we have tough and
6 direct conversations, but they're respectful and they
7 indicate honest differences.

8 But I think that John has been an energetic,
9 effective president, and I appreciate his efforts.

10 CHAIR WATLINGTON: Is there any other board
11 members?

12 MS. MERCADO: I'm sorry. One of the factors that I
13 hope whatever task force or group with all the different
14 partners, NLADA and LSC, and our staff, of course, will be
15 looking at is that in that process of setting up standards of
16 due process, we should be looking at some evaluation of the
17 mergers and the different programs to see how it has affected
18 our ability to represent more or less clients.

19 How has it affected our ability to in fact provide
20 effective, deliberative legal services, perhaps in different
21 formats? How has it affected our ability to keep qualified

1 staff in those programs, in those mergers, and whether or not
2 the partnerships have actually extended.

3 And I don't know whether NLADA or the ADA or LSC or
4 anybody else has the sort of evaluation data that may be
5 looking at that to see whether in fact in some areas it works
6 or it doesn't work, and if not, why not.

7 MR. LYONS: My own view is that there has been a
8 delivery shift made, appropriately, where the focus is as
9 that the state level as opposed to the years in which we
10 really focused on individual programs and developed standards
11 respecting how individual programs operated.

12 I think that -- I'm sure John has thought about it,
13 and of course we've had some thoughts about it. And the
14 corporation will want to know how its grantees are performing
15 within this new shift and this new strategy to serve more
16 clients in a more integrated fashion, and we're willing to
17 work with your new president and the staff to develop
18 whatever measures are appropriate to keep abreast of what's
19 going on and see whether or not what's going on out there is
20 effective.

21 MS. MERCADO: And the only reason that I brought

1 this up, Mr. Lyons, is because at the NLADA conference where
2 we had a lot of the different programs and were talking about
3 state planning and mergers, in some of the states where they
4 had done mergers and consolidation, because of the natures of
5 the programs, some of the programs have had to lay off people
6 because they had to bring other staff up to speed, and the
7 different salary levels, different benefit levels, which
8 meant you had less staff and less attorneys in that program
9 now, that statewide program.

10 And consequently, did that mean that the number of
11 clients that are now being represented is much less than it
12 was when you had two or three entities?

13 And so those are some of the factors that we ought
14 to look at. And if that isn't work then, you know, that
15 means getting more funding from Congress or maybe looking at
16 some other way of dealing with that.

17 CHAIR WATLINGTON: Are you going to say something,
18 John, before --

19 MR. MCKAY: No.

20 CHAIR WATLINGTON: If there are no other questions,
21 as the chair I'm going to be now my client representation and

1 that I think -- I have to really be very proud of
2 Pennsylvania because that was a tough nut to crack. But when
3 they can do what they've done with all the problems, and they
4 brought it to the board, but to work through it to, you know,
5 do said merger, I'm very proud of it.

6 But the main thing, I'm very proud of having that
7 client-centered conference because if you don't have clients
8 involved, it really is -- they are the best ones to tell you
9 how to better serve them. So, you know, I'm very proud of
10 that.

11 And I think it really highlights the point of how
12 important it is you have clients involved and how well that
13 conference was needed. And we hope that, you know, more will
14 be.

15 And you said something, too, Clint, that there are
16 models of others that has -- you know, you also learn from
17 others doing it. You know, go back to the Boy Scouts, things
18 you learn by doing. And those are models of some of the
19 people, what they've gone through and the problems that had
20 them apart, you know, to see what some of -- because nobody
21 like changes. They want to stay the same.

1 MR. LYON: Right. Well, I'm here to tell you, I
2 went through a two-year merger of PAG and NLADA. And I'm
3 here to tell you it's difficult, and I'm here to tell you
4 that the change is still going on -- the change in cultures,
5 the changes in operational values, and that sort of thing.

6 And that's why I think it's so critical to have the
7 leadership capacity on the ground, to nurture that leadership
8 capacity, to keep it together so that the people on the
9 ground who will be faced with different kinds of problems on
10 a daily basis that they have the skills, the capacity, and
11 the help to respond to those problems and issues.

12 We can't do that from Washington at NLADA or the
13 Legal Services Corporation. So the key is to try to nurture
14 that leadership to give it whatever help it can, to be
15 flexible enough to make a judgment, to allow them to make
16 whatever changes they need.

17 So it is difficult. I know that. I went down to
18 Tennessee and they presented me with this elaborate plan for
19 their state plan. And I read it. I looked at it, sat
20 through a whole meeting, and I said, "Well, what's changed?"
21 And they looked at me. What the hell are you talking about?

1 You know.

2 And so I said, you know, what's changed? If you
3 send this up to the Legal Services Corporation, they are not
4 going to go for a paper trail of, you know, intended change.

5 You know, you have to demonstrate that on an efficiency
6 level, on a client service delivery level, that something has
7 changed. The status quo cannot be covered over by an
8 elaborate plan.

9 And I think after that we did begin to see some
10 movement. And Don has had the very same tough conversations
11 with our members throughout the country. So we're working
12 with you. We'll continue to work with you.

13 CHAIR WATLINGTON: Thank you so much. We've
14 enjoyed your presentation.

15 MR. LYONS: Thank you all very much.

16 CHAIR WATLINGTON: Continuing with our agenda, I
17 don't want to mess up her name, so I'll just say Pat. Oh,
18 it's been changed? All right. With the Michigan Bar
19 Association.

20 MR. RYAN: Good morning, Madam Chair, members of
21 the committee. Good morning. My name is Tom Ryan. I'm the

1 President of the State Bar of Michigan.

2 MS. NICHOLS: Let me introduce myself, too, before
3 Tom makes his remarks. I'm Margaret Nichols, and I'm the
4 president of the Michigan State Bar Foundation.

5 MR. RYAN: I just want to say this, that I want to
6 thank John McKay for his leadership as president of this
7 Legal Services Corporation. You've done an excellent job
8 serving. We wish you well in your career path, but it's been
9 great. You've shown great leadership to this organization.
10 We appreciate it in Michigan. We appreciate it very much.
11 So thank you.

12 We have a long tradition in Michigan of working
13 together with the Bar Foundation, the funding mechanism
14 through our state. And so it's not unusual for myself and
15 Margaret to be here together appearing before you.

16 I am going to say, Madam Chair, that to our delight
17 we are going to cut your agenda considerably.

18 CHAIR WATLINGTON: Thank you.

19 MR. RYAN: Because we have reached agreement. All
20 the Michigan contingencies have come here today, and they
21 will come up also. We have really a joint request we'd like

1 you to recommend to the full LSC board, and that consists of
2 five points, if I may just briefly state them.

3 First, that the implementation for the Michigan
4 reconfiguration decision we all agree should be delayed for
5 one year. That during that year period, we will work and
6 start afresh. We will look for other stakeholders to the
7 table, bring them to the table.

8 We will review the LSC configuration -- I'm going
9 to get my glasses; I'm sorry, ma'am. I thought I tried to
10 check the lighting earlier -- we will start afresh, add
11 stakeholders to the table, and review the LSC configuration
12 plan in light of current and future LSC standards and any
13 other considerations that are available that we agree upon.

14 Three, that we will use a professional facilitator
15 to help us improve communications to through this process.

16 Four, that the state funder will continue its
17 commitment to nonduplication and the goals of our state
18 delivery system and state planning.

19 And lastly, that we will go forth in good faith in
20 a spirit of cooperation to handle this matter to do what's
21 best for Michigan so that when the day is done, we'll provide

1 the best possible legal services for the indigent citizens of
2 the state of Michigan.

3 CHAIR WATLINGTON: That is great. Now, this has
4 really been -- I'll turn this over to the president here.

5 MR. EAKELEY: The president went that way, but the
6 chairman is still here.

7 CHAIR WATLINGTON: Chairman. I'm sorry.

8 MR. EAKELEY: First, let me say welcome. I think
9 we all realize how difficult the outcomes of state planning
10 and reconfiguration can be at some time.

11 I also want to say, though, that the board remains
12 deeply appreciative of the magnificent efforts that John
13 McKay and Randi Youells and Bob Gross, and in the case of
14 Michigan, Pat Hanrahan and our state planning team, have
15 done. But there's still room for agreements to disagree
16 among people of good faith who all share a commitment to a
17 common, fundamentally important mission.

18 And I think that with our staff and with this
19 mutual commitment to work together in the next year, I think
20 we can improve upon what we already have, which is pretty
21 good and getting better.

1 And I think that's where I want to leave it,
2 unless -- I think that we have explored internally the means
3 of putting this in place, notwithstanding the schedule that
4 calls for competitive grant applications to be filed on
5 Monday.

6 MS. NICHOLS: Yes. July 2nd.

7 MR. EAKELEY: So we still have to call upon an
8 already overtaxed state planning team to help deal with this.

9 But I think that the inclination will be but subject to
10 review between this committee meeting and the board meeting
11 tomorrow and the expression of positions by other board
12 members, I think this is a very welcome outcome for today
13 without walking away from the state planning effort, the
14 investment of time and effort that has gone into it thus far,
15 or without risking sending any other messages broader than to
16 focus on the unique circumstances of Michigan and this new
17 commitment to work harder together.

18 MS. NICHOLS: May I just add a few words to this?
19 I think the key to us not being here a year from now in the
20 same potential posture that faced us earlier even this
21 morning is going to be full and effective communication.

1 There is not at this point -- well, let me start by
2 saying I am very proud of Michigan and Michigan State Bar,
3 Michigan State Bar Foundation, and our providers. I started
4 out in my own career as a Legal Services attorney. And so I
5 have some sense of what we're all talking about here.

6 And I just think that in the process of all that
7 we've done, I've been very, very proud of all the players.
8 And I've been just completely disheartened in the last few
9 months to see much of the good will eroding.

10 And it's for all kinds of reasons. We're beginning
11 to get a handle on that today, and we'll continue to do so.
12 Trust is at a low ebb and it's going to take us this period
13 of time to rebuild that trust. We're committed to doing
14 that.

15 We're going to need LSC at that table, too. And I
16 guess I'd like to say hello to Mr. Ehrenborn and suggest that
17 perhaps it might be that we would even call upon you to join
18 us at some point in this conversation so that we can avoid,
19 you know, any continued difficulty here and, you know, do
20 what I know is in the capacity of Michigan to do.

21 CHAIR WATLINGTON: Well, as chair of this committee

1 and to have this resolution being brought here in the
2 beginning of trying to resolve that work, and not what I was
3 looking forward to, is very grateful that something -- as a
4 board member and as the chair of this committee that we have
5 something to take to the board that we as board members can
6 get involved in.

7 MR. RYAN: As you say, Madam Chair, we should give
8 a kudo, although we haven't gotten his bill yet, to Don
9 Saunders, who sort of acted as Henry Kissinger and helped us
10 bridge some differences. And he did an outstanding job for
11 us.

12 And I don't know if Ed or Deirdre want to come up
13 and speak? Ed? Okay. Well, we're all --

14 CHAIR WATLINGTON: They are the workers.

15 MR. RYAN: We appreciate your time and your
16 consideration and hopefully the board's agreement on this
17 tomorrow. And we'll work together in Michigan and come up
18 with a good program.

19 MR. EAKELEY: Let me just say thank you, all of
20 you, for coming out here and for a renewed commitment to
21 working together.

1 MR. RYAN: Thank you for your time.

2 MR. ERLÉNORN: And let me also thank you, and in
3 the parliamentary lingo, I listened carefully to what our
4 chairman has said and I adopt the gentleman's comments as my
5 own. (Laughter.)

6 MR. RYAN: Thank you, sir. Good luck to you.

7 CHAIR WATLINGTON: Now we'll have an update by
8 Randi on state planning and other business.

9 MS. YOUELLS: Thank you, Madam Chair. I'm actually
10 going to talk about some of the other work that the program
11 staff of LSC pursues.

12 I know some days it appears that state planning is
13 our world and our life, and in reality it is really only a
14 part of the work of the program staff at LSC. And I'd like
15 to divert and talk about some of those things right now and
16 update you as to some of the exciting developments that we've
17 been pursuing.

18 The first thing that I would like to talk about,
19 and some of you -- LaVeeda Battle and Maria Luisa -- were
20 present, is our diversity initiative that we have been
21 embarking on this past year in conjunction with our partner,

1 NLADA.

2 This has been a national conversation for a year --
3 that's how it's been couched -- to explore the value of
4 diversity within our program staff and as it affects the
5 diversity within the communities, the client communities,
6 that we serve.

7 At the end of March we had the first conversation
8 in conjunction with the Equal Justice Conference in San
9 Diego. Although that conversation largely centered around
10 the issues of women within Legal Services and was focused on
11 gender, we did also discuss during that conversation other
12 issues that impact upon our employees and upon client
13 communities.

14 At the end of May, we had a major conference for
15 two days in Washington, D.C. on diversity in all of its broad
16 interpretation, and several recommendations came out that are
17 being taken very seriously both by LSC and NLADA as we move
18 forward to our next conversation, which will be conducted in
19 junction with Sublaw in Berkeley in July.

20 And we've chosen Sublaw because we'll have younger
21 people in attendance there, and we'll be able to involve

1 other people, younger people, in the discussion of the
2 importance of diversity.

3 The board was very generous to allocate this year
4 \$100,000 to our diversity initiatives, and we have
5 appreciated having those dollars, and they've been dollars
6 well spent. I think as we end the year, we will have a very
7 good diversity plan that we can move forward and implement in
8 the following years.

9 In April, Madam Chair, as you know, LSC did a very
10 successful client conference in Hershey, Pennsylvania. That
11 conference was devoted to state planning issues and ensuring
12 that as we move forward with state planning and building
13 quality legal services programs, clients are at the table and
14 they're at the table proactively and we are addressing client
15 needs.

16 There has been a report issued as a result of that
17 conference. That report, I believe, was mailed to all of you
18 last week. We had hoped to talk about it in more detail
19 today, but circumstances -- state planning took over and so
20 we had to cancel that presentation. Hopefully we'll be able
21 to do it at the next meeting.

1 But we have a series of very thoughtful
2 recommendations coming out of that conference, and we will be
3 taking a hard look at those recommendations in terms of how
4 we are going to further the good work that was done by the
5 conferees.

6 This conference was unique, I believe, because it
7 was the first time in a long time that we brought both
8 clients and advocates together at the same table to talk
9 about what it means when we talk about client-centered state
10 communities of justice, how we define them, how we implement
11 them.

12 I understand that at times, the conversation was
13 intense. I understand at times, the conversation -- people
14 were very strong in their opinions. But I know that everyone
15 left the conversation and that conference believing that we
16 have a renewed commitment to ensure that in all of our work,
17 we put our clients first.

18 I am also pleased to announce that largely due to
19 the work of Mike Genz and his technology team, we are in the
20 process of announcing technology grants, the second round of
21 technology grants. We will be awarding approximately \$6

1 million in technology grants.

2 We started the phone calls this week to allow the
3 programs to know who we are awarding grants to. We have made
4 our final decisions, and we have begun the negotiation with
5 them about the amounts.

6 And I say the negotiation because at this point,
7 although the amounts are fairly firm, there is some give and
8 take between our staff and the people getting the awards in
9 terms of whether or not the budgets can be tinkered with or
10 we can make some changes in the budgets.

11 Those will be announced publicly next week, so I
12 won't announce them today, but we're very excited, and I
13 think it's been a great initiative. And it certainly has
14 been wonderful work on the part of the technology team. They
15 ran that through in such rapid time I couldn't believe it.

16 Two years ago, before the technology program was
17 initiated, very few states had a single website for clients,
18 which was typical, is that each program within the state set
19 aside money to develop a website. So we literally had ten
20 websites in some states.

21 When the technology grants were implemented in

1 2000, we funded several states to develop a statewide website
2 that could be used by other states as models, and I am
3 pleased that that's been extremely effective, and when this
4 grant year ends, we will have statewide websites supported by
5 LSC funds in more than half of the states.

6 So as we enter into the next round of technology, I
7 think we can safely say that we have used technology to help
8 build state communities of justice, and that also we have
9 used technology to aggressively advance our representation of
10 clients. And again, I'm very proud of the staff and the hard
11 work that they did.

12 Another exciting initiative is that we are in the
13 process of negotiating with the National Poverty Law Center,
14 which those of us have been around for a long time still
15 think of as Clearinghouse. But we are negotiating with them
16 to fund basic lawyer skills training in ten or fifteen states
17 in which the basic lawyer skills training for young lawyers
18 has not been done due to funding problems and due to other
19 needs in those states.

20 We were approached in December by the National
21 Poverty Law Center. They put a proposal in front of us that

1 was incredibly cost-effective. They defined young lawyers as
2 people with less than five years of experience, and they said
3 that for a small amount of money, they would go out to ten to
4 fifteen states and conduct basic lawyer skills training, and
5 they would also give a subscription to Clearinghouse Review
6 to lawyers with less than five years of experience who work
7 in all Legal Services programs in the United States.

8 As I said, we're negotiating with them right now.
9 This is something that you can thank Maria Luisa for, who
10 said to me some months ago, "Have I asked anything of the
11 staff ever? And I'm asking you to support this." So you can
12 thank her that I took that very seriously. And Cindy
13 Schneider is negotiating that contract with the National
14 Poverty Law Center.

15 I know a project that you've been much concerned
16 about has been the establishment of performance measures to
17 measure the work of our programs. As you know, I personally
18 support performance measures that are outcome-based. I think
19 that they are key to our future funding and to our ability to
20 identify those components in our state justice communities
21 that are not performing as well as they should be performing.

1 I also, however, believe that we are not yet at the
2 point where we can launch any effort to implement a
3 performance measure system. We are going back to the drawing
4 board. We are going to try to discuss how, with Mr.
5 Erlenborn and myself and the staff, how we want to launch
6 this effort.

7 So it is still active but it is not active in terms
8 of our getting ready to do anything in terms of implementing
9 a system to measure performance; we're back at the drawing
10 board.

11 The Office of Program Performance has been making
12 some quality visits this past summer. They took the
13 opportunity to -- as you know, we do visits to programs for a
14 lot of reasons. We do them in conjunction with a
15 competition, to determine who should win a competition; we do
16 them in conjunction with problems that might be brought to
17 our attention in terms of quality, and we send teams out to
18 visit those.

19 This year, for the first time in a long time, we
20 have initiated some visits that are just being done to
21 provide technical assistance and assistance to programs, and

1 take a spot-check as to what's going on in certain programs,
2 absent any complaints or absent competition.

3 Those visits are underway. We've had some
4 successful visits in certain parts of the country, including
5 Alabama, and I believe everyone has felt that those have been
6 productive visits and that it's a new day at LSC when we
7 actually have the time and the dollars to do something
8 related to improving and enhancing quality.

9 As you also know, Madam Chair, I believe, because
10 you've been giving me a bad time about it, two weeks ago I
11 represented the Legal Services Corporation at the
12 International Legal Aid Group in Australia, Melbourne,
13 Australia.

14 The International Legal Aid Group is a consortium
15 of policy leaders and academicians within legal services,
16 largely from the Anglo-Saxon world, but they're broadening
17 that somewhat. And it was a three-day, by invitation, closed
18 conference where we debated and discussed issues that are
19 impacting on legal services internationally.

20 It was interesting. This is the second time I've
21 actually been in a conversation with people who run legal

1 services in England and Wales and Ireland and Australia.
2 What was interesting to me more than just the opportunity to
3 participate was that the problems that are being faced by
4 legal services in other countries are incredibly similar to
5 the problems that we are facing here today.

6 Three issues dominated the conversation at that
7 conference. One was representation of immigrants and how we
8 ensure that people who are not residents of a country that
9 they move to are treated justly; technology was a huge force
10 of discussion, and how we use technology to expand services
11 to clients; and how we measure performance.

12 I am also pleased to announce that we were able to
13 prevail upon them to have the next conference -- this group
14 meets every two years -- in the United States. It will be
15 co-sponsored by the Legal Services Corporation and Harvard
16 Law School, and it will be conducted in Boston. So I am
17 excited to announce that.

18 And I think that will conclude my remarks. I would
19 just like to take this opportunity, since he's not here, to
20 thank John McKay on the record for giving me the opportunity
21 to function as the vice president for programs. It's been an

1 incredibly interesting eighteen months, and I do thank him
2 for that opportunity.

3 CHAIR WATLINGTON: Are there any questions?

4 MR. EAKELEY: Let me just, as a follow-up to
5 that -- I'm sorry, Edna. Go ahead.

6 MS. FAIRBANKS-WILLIAMS: I was just going to ask if
7 you had asked for and set aside money for another client
8 conference, say next spring or something?

9 MS. YOUELLS: We are in the process of beginning
10 our work on the 2003 budget, the 2002-2003 budget.

11 Absolutely. That was a strong recommendation that came out
12 of this client conference, and they said that they would like
13 to have another client conference.

14 One of the things that I'm giving thought to, and I
15 haven't resolved this -- as you know, I think out loud;
16 you're used to that -- and that is maybe small regional
17 conferences might be better than another big national
18 conference.

19 But that's something I'll be talking to you and
20 Ernestine about and exploring with other people. So
21 absolutely, I think we have to move forward. I thought it

1 was an exciting conference, and I appreciate yours and
2 Ernestine's help in helping me conceptually think through how
3 we're going to do this.

4 MR. EAKELEY: A couple of comments, one apology,
5 and then two questions.

6 MS. YOUELLS: Okay.

7 MR. EAKELEY: The first is, John's not here to
8 acknowledge your thanks for being appointed, but I'm here to
9 acknowledge the board's thanks for your being appointed.

10 And also, I've said it before, but I learned a
11 little bit more about Bob Gross's background here in New
12 Hampshire riding around the state yesterday with Ed Biricio.

13 But I think that the state planning effort and
14 accomplishments and success that Clint Lyons was referring to
15 is clearly attributable to the hard work and inspired
16 leadership that not only John McKay has demonstrated, but you
17 and the rest of the team. And that's my first comment.

18 My second comment is that -- related to the
19 apology -- is that this client-centered state communities of
20 justice conference was by all accounts a wonderful success,
21 and my apology is that by scheduling all of the state

1 planning issues that I thought the board had to address, I am
2 responsible for bumping the presentation on the conference
3 from the committee agenda for today.

4 And that had nothing to do with its great value and
5 worth, but more to do with the fact that it was a success and
6 we had other open items. And that leads me to my two
7 questions.

8 In John McKay's letter to Clint Lyons in response
9 to Clint's letter, there is a commitment to establish a task
10 force to study standards and procedures and means of
11 improving or universalizing, as Clint Lyons put it, the state
12 planning process and the role of reconfiguration in that
13 process.

14 I take it that -- and this is addressed to John
15 Erlenborn as well -- management has no objection if the board
16 took the prerogative of leading that task force with
17 appropriate support by management, and including in that task
18 force, as I believe was the intention all along to include in
19 the task force, others from other interested organizations
20 and stakeholders and clients? Is that -- y

21 MS. YOUELLS: That's absolutely true. In fact, I

1 always envisioned the task force, as I was negotiating its
2 creation with NLADA, to involve a wide variety of
3 stakeholders at the table. As state planning cannot be
4 successful without broad representation from the equal
5 justice community, neither can this task force.

6 So I assume that it will be a board task force. I
7 am assuming that the board will invite other people as they
8 see fit to sit on the task force and bring their ideas to the
9 table. So that's absolutely true.

10 MR. EAKELEY: Mr. McCalpin?

11 MR. McCALPIN: May I be recognized by the chair?

12 CHAIR WATLINGTON: Yes, you may.

13 MR. EAKELEY: Once a chairman, always a chairman.

14 MR. McCALPIN: Madam Chair, having heard the gist
15 of what I was prepared to recommend from the chair of the
16 board in the last few moments, and also having the benefit of
17 the thought-provoking comments or conciliatory comments of
18 the head of NLADA and the responses of the folks from the
19 state of Michigan, I move that this committee recommend to
20 the board at its meeting tomorrow the creation of a task
21 force along the lines and as described by the president -- by

1 the chair of the board in his remarks just a few moments ago.

2 MR. EAKELEY: May I add a friendly amendment to
3 that motion?

4 MR. McCALPIN: You may. It's basically your
5 motion.

6 MR. EAKELEY: I think we have a slight difference
7 of opinion, which hopefully will not remain, in terms of who
8 has final authority and responsibility for decisions
9 involving service areas. And I think it's an appropriate
10 subject of inquiry and discussion for the task force to
11 consider the appropriate board involvement in this very
12 important area.

13 And so I'd just like to expand the scope of the
14 task force, the subject matter, so that it's understood that
15 I think that we should inform ourselves on the appropriate
16 role of the board in reconfiguration or service areas or
17 policy guidance for the president in ultimately making those
18 decisions.

19 MR. McCALPIN: I agree, and I suggest that that's a
20 matter also which needs the attention of general counsel.

21 MR. EAKELEY: Yes. We agree.

1 MS. MERCADO: And I second his motion.

2 CHAIR WATLINGTON: It's been moved that a motion
3 be -- that from this committee recommendation a task force
4 considering forming, and that we have to get legal counsel.
5 It's been seconded and amended.

6 All in favor of the motion, state, "Aye."

7 (A chorus of ayes.)

8 CHAIR WATLINGTON: Opposed is the same?

9 (No response.)

10 MR. EAKELEY: May I pose my second question of
11 Randi?

12 CHAIR WATLINGTON: Okay.

13 MR. EAKELEY: Just as a matter of procedure, should
14 this committee recommend to the board that the board
15 recommend to the incoming president that a delay of one year
16 take place in the implementation of the reconfiguration
17 decision in Michigan? Should we be on record? My
18 inclination is yes, but I -- y

19 MS. YOUELLS: My inclination is yes. We have
20 already agreed to that in conversations with the Michigan
21 stakeholders this morning.

1 MR. EAKELEY: I don't want the board on record
2 reaching in and doing it, but I think it might be appropriate
3 for the board, given what has been announced with the support
4 of LSC management, to recommend this as a sense of the board,
5 that the president follow through with it. y

6 MS. YOUELLS: Correct.

7 MS. MERCADO: Doug? I guess I had -- I mean, Madam
8 Chair, may I?

9 CHAIR WATLINGTON: Yes.

10 MS. MERCADO: I just had a follow-up question to
11 that issue. We got a briefing book on three programs,
12 Michigan, Texas, and Wisconsin.

13 And so my question, in looking at this whole issue
14 of due process and setting up standards and procedures, if
15 these three programs have taken the time and aspect that they
16 all have problems, for whatever reasons, and none of them
17 have actually formed themselves into other entities, are we
18 also giving a one-year moratorium to Texas and Wisconsin?

19 MR. EAKELEY: No. I don't think that was the
20 intention.

21 MS. MERCADO: I'm just asking.

1 MR. EAKELEY: Yes. No, that was not the intention
2 nor the suggestion. We're dealing with what I consider to be
3 a very unique set of circumstances in Michigan that exists in
4 Michigan and, as far as I know, just in Michigan. And I
5 think that there would be a great deal of reluctance to go
6 beyond that to the other states. More than reluctance:
7 adamance.

8 MR. ERLENBORN: Madam Chair?

9 CHAIR WATLINGTON: Yes.

10 MR. ERLENBORN: Thank you for yielding to me. I
11 just wanted to make this comment: Maria Luisa made a
12 reference to the task force establishing goals and
13 procedures. Let me for the record say that we have goals and
14 procedures. We don't need to for the first time establish
15 goals and procedures as to review those and to see if other
16 amendments, other changes, might be made.

17 But I think it should be clear that the corporation
18 all along, with the program letters, has given guidance to
19 the states and their formation of the unified statewide
20 program structure. So I just wanted that for the record,
21 that we're not starting anew.

1 MS. MERCADO: No, we're just modifying details.

2 CHAIR WATLINGTON: And that was the reason why,
3 when that came, that I didn't suggest or ask for a motion on
4 that because it wasn't written in front of the people. You
5 know, I thought it should be talked about.

6 And it had nothing to do with the task force, about
7 when you actually -- LaVeeda asked that that be a motion to
8 the board from this committee. And so we didn't have nothing
9 in front of us, just what was stated, you know. And that has
10 to be worked out more. But that's part of the job of the
11 task force.

12 But there was rules and guidelines how you should
13 come about from the corporation to programs in doing their
14 state planning. So we just need to do is to go ahead with
15 the motion. Who made the motion? You wanted an amendment?

16 MS. YOUELLS: Yes. The motion has been passed.

17 CHAIR WATLINGTON: Okay. So was there any other
18 questions or recommendations for the committee to the board?

19 (No response.)

20 CHAIR WATLINGTON: There being none, following our
21 agenda is consider and act on other business. Is there any?

1

2 (No response.)

3 CHAIR WATLINGTON: And now we're open for public
4 comments.

5 Yes?

6 MS. PETERSON: Yes. Hi. My name is DeeDee
7 Peterson. I'm the Director of the Wisconsin Equal Justice
8 Fund. We are Wisconsin's statewide private bar fundraising
9 campaign.10 And I've been debating for over two hours whether
11 to speak during public comments or not, and Ms. Mercado's
12 comments about Wisconsin sort of motivated me to do that.
13 And I don't have comments prepared and I don't want to take a
14 lot of time, so I just want to say a few things.15 I know you're all very pleased that you've got an
16 agreement in Michigan, and I'm not here to rain on that
17 parade. And I also want to make very clear that I'm not here
18 representing our entire state planning process because that's
19 very important.20 I'm here representing my organization, which has a
21 great stake in state planning, which my board and especially

1 my executive committee has been very involved with.

2 We recognize very strongly that in order for us to
3 do our job, which is the work of fundraising and making
4 lawyers give to Legal Services, we need a great product to
5 sell. And part of us having a great product to sell is being
6 able to look donors in the eye and say, "This is the best
7 system we can make and here's why you should give to it."

8 And my board is very committed to having that in
9 place as we move forward with our fundraising, which has been
10 very successful until this point. But we recognize that it's
11 key to our continuing success to fund raise with the with the
12 private bar.

13 And I'm not here to challenge staff and board
14 decisions about reconfiguration in Wisconsin, or even to
15 challenge the authority of staff to make those decisions.
16 I'm here to tell you that that reconfiguration decision in
17 Wisconsin has had a -- this is where I have trouble because I
18 don't know the exact adjective, but I think I'll call it a
19 damaging effect on our state planning efforts.

20 What has happened to us despite -- and I by default
21 have become really the staff person for our state planning

1 efforts -- despite my best efforts, what has happened in our
2 state planning group is our discussions have turned to, what
3 does LSC want, instead of what it should be, which is, what
4 is best for us and what is best for our clients?

5 And, you know, we can assign blame for that, and
6 that's why I say despite my best efforts because I and our
7 chairperson of our state planning group -- our co-chairpeople
8 have made a great effort to try to move the discussion away
9 from that. But it continues to come back to that.

10 And I think it's important for this committee to
11 know that as you move forward. And I realize that John
12 McKay's letter to -- I'm not sure if it's to Don or to Clint,
13 but answering the field's concerns and proposing a task
14 force, I think it's important for you to know that as you
15 move forward with this task force that that's what's happened
16 to us in the way that this process has moved forward.

17 And I know that you don't want that. I know that
18 you don't want that effect, and I think it's real important
19 for your task force and this committee to be aware that this
20 process has led to that effect despite good faith efforts and
21 best efforts to not make that happen.

1 That's all I have to say. If you have questions
2 about what's going in Wisconsin, I'm happy to answer them.

3 CHAIR WATLINGTON: Thank you.

4 MR. EAKELEY: You're right on on the questions that
5 ought to be --

6 CHAIR WATLINGTON: And thank you for --

7 MS. PETERSON: You're welcome.

8 MS. MERCADO: The only thing that I would ask as a
9 committee member and then for whoever the task force is is
10 that we got a briefing book on the three states. Okay? But
11 there is -- whatever it is that your state wrote to LSC is
12 not in this book, only our response to you.

13 And so it would be helpful if we could get copies
14 of that information, and I would assume especially for the
15 task force. But definitely, as a board member, I'd like to
16 be able to look at that.

17 MS. PETERSON: You know, I don't know how staff
18 handles that, so that's between -- right. But it's also
19 important to know that we don't know that response, either.
20 I don't know that briefing. And so --

21 MS. YOUELLS: It's the letter I sent to you. It's

1 the letter to Don and Clint.

2 MS. PETERSON: Oh, that I have. Right.

3 MS. MERCADO: We just need what you initially sent
4 that they're responding to.

5 MS. PETERSON: I don't know if you want it, but --

6 MR. EAKELEY: Thanks for coming all the way out
7 from Wisconsin to New Hampshire for a very important message,
8 and please keep up the very good work you're doing out there.

9 MS. PETERSON: Thanks.

10 CHAIR WATLINGTON: Are there any more public
11 comments?

12 (No response.)

13 CHAIR WATLINGTON: If not, I'll ask the board for
14 an adjustment.

15 MR. McCALPIN: So move.

16 MS. MERCADO: Second.

17 CHAIR WATLINGTON: It's been moved and seconded
18 that the meeting may be adjourned. All in favor say, "Aye."

19 (A chorus of ayes.)

20 CHAIR WATLINGTON: Opposed is the same?

21 (No response.)

1 CHAIR WATLINGTON: The meeting is adjourned.

2 (Whereupon, at 12:30 p.m., the meeting was

3 adjourned.)

4

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