



September 8, 2011

Mr. Mark Freedman
Senior Assistant General Counsel
Legal Services Corporation
3333 K St, NW Washington, DC
20007

RE: Poverty Data and LSC Funding distribution

Dear Mr. Freedman:

The State Bar of Arizona and the Arizona Foundation for Legal Services & Education appreciate the opportunity to provide comments prior to the Legal Services Corporation's Board of Directors making recommendations to the President and Congress regarding the allocation of funding associated with Census poverty data. Arizona's legal community strongly supports the first and second recommendations outlined in the **Federal Register** Vol. 76, No. 153 (Tuesday, August 9, 2011). Eliminating references to the "decennial census" and using "every three year data" updates will allow for funding to be more accurately distributed to appropriate geographic areas of poverty populations. However, we do not support the third recommendation to have the "first reallocation be phased in over two years, in Fiscal Year 2013 and Fiscal Year 2014."

Not only do Arizona's legal aid agencies need the reallocated funding earlier than FY 2013 – they need it in FY 2012, in fact – but they desperately need more funding in general. Arizona not only is among the states hardest hit by the foreclosure crisis, but the poverty population has increased dramatically.

Using 2000 Census data has crippled legal aid agencies' ability to keep up with the rising need over more than 10 years. During that same time, the poverty population in Arizona increased by more than 270,000 people. The 2009 Census data also acknowledges that Arizona jumped three spots to become the 10th highest state in poverty population. Between 2000 and 2009, Arizona did not receive an increase to assist with meeting the needs of this wave of poor people. This means that effectively, funding for legal services dropped from \$15 per poor person to \$11 per poor person and will continue downward.

As you may know, Arizona was among the highest hit in the foreclosure crisis and continues to struggle with an economy worse than many other states. Understanding that the demand across the nation is unprecedented, Arizona legal aid agencies have already been working for at least three years with the increased population not considered in the distribution. From 2000 to 2009, poverty in Arizona increased by 38% and, coupled with the lingering recession; the demand for legal aid has grown even higher. While the 2010 Census data is not available, we know that Arizona has added another 300,000 poverty-level people to its state Medicaid program. That increase tells us that we now have another 300,000 poor people who are eligible for legal services.

As a result, not only do we support the changes for allocating funding associated with Census poverty data, we request that the LSC Board recommend to the President and Congress that they increase funding allowances in 2012 for states that have shouldered the burden of increased poverty over the last several years. In addition, disbursing the first reallocation over FY 2013 and FY 2014 may be too little, too late.

Respectfully,

A handwritten signature in black ink, appearing to read "Joe Kanefield".

Mr. Joseph Kanefield
President, State Bar of Arizona

A handwritten signature in black ink, appearing to read "Christina Urias".

Ms. Christina Urias
President, Foundation