

Mark Freedman

From: Steve Gottlieb <sgottlieb@atlantalegalaid.org>
Sent: Tuesday, September 06, 2011 10:03 AM
To: Mark Freedman
Cc: Jim Sandman; Linda Perle
Subject: Comments on LSC proposal for redistribution of funding to LSC grantees based on 2010 census data.

I am writing this comment to endorse the recommendation of LSC management relating to the allocation of grant funding following the 2010 census. The LSC management has made three specific recommendations. I support each.

First, LSC proposes to ask Congress to amend the traditional appropriations language to eliminate the requirement that allocations be based on the number of individuals in poverty as determined by the Bureau of Census "on the basis of the most recent decennial census", since the decennial census no longer includes information on poverty. LSC proposes that the above quoted language simply be stricken and that the Bureau of Census would make a determination based on other data. That recommendation seems eminently reasonable, since the Bureau of Census is the agency with obvious expertise in this area. Moreover, the legislative change that LSC proposes is simple and non-partisan. It does not take any particular position about what data to use. Nor does it not ask Congress to give it discretion to make that decision and therefore hopefully avoids criticism from those who are wary of giving LSC discretion in any context.

Second, LSC proposes to have future readjustments be done every three years. Of the options available, one, three or five years, adjustments every three years seems by far the best choice. Adjustments every year would be administratively difficult and cause a great deal of instability among field programs. Doing adjustments every five years really means that the adjustments would be based on data that was at least six years old and perhaps seven and one-half years old, depending on the data source. It is a great hardship for programs like ours with a growing poverty population, to always be significantly behind increased demand, and so waiting even five years, let alone over seven, is a significant hardship for us. I therefore endorse LSC's compromise choice of three years.

I realize that there is concern that it would be hard for programs to respond to LSC funding changes every three years. However, these changes could be predicted based on poverty data which would be public knowledge.

Even if they did not know the exact details, Programs would know that they are likely to face decreases or increases and could plan accordingly. Most programs, including ours, in fact regularly adjust to much more frequent, even annual, changes from other funders, which are often not nearly so predictable.

Finally, I support LSC recommendation to phase in this latest change over two years. I do so with some hesitancy. Atlanta Legal Aid has been one of the LSC recipients most hurt by LSC's failure to modify its funding formula in response to changes in our poverty population since 2000. In fact, Georgia has been a state with one of the fastest growing poverty populations, and our service area's poverty population growth has outpaced the State's.

Despite it not being in our self interest to have reallocation spread over two years, we do realize that other programs would face drastic reductions all at once, if they were not phased in. That would seem draconian at a time when programs are seeing reductions from other sources, particularly from IOLTA. A phase in beginning in 2012 would actually be preferable, but since it may be impractical to begin to reallocate so quickly, I would support LSC's plan to phase in a change of the funding formula over the next two years beginning in 2013.

In conclusion, the analysis that LSC's staff used to come up with its recommendations on redistribution seems thoughtful and sound, and I wholly endorse the conclusions it reached.