



June 7, 2012

James J. Sandman
President
Legal Services Corporation
3333 K St., NW, 3rd Fl.
Washington, DC 20007-3522

Dear Mr. Sandman:

Thank you for inviting my comments about the LSC budget for FY 2014. I think it is clear that your FY 2012 budget was grossly inadequate and that even doubling your budget would not make up for the combination of increased poverty and fiscal starvation legal services have experienced.

In 1980, the United States had 29, 272,000 people living in poverty, and LSC's budget was \$794,540,943 in 2010 dollars. By 2010, the U.S. poverty population had grown to 46,180,000, yet the LSC budget was only \$420,000,000.

By FY 2012, the budget had fallen even further, to \$348 million, even though the population to be served was no smaller and the local LSC programs' supplemental funding with IOLTA funds had been impaired because of the rock bottom interest rates the trust accounts were earning.

In 1980, inequality had not yet soared out of control, a smaller share of the population was officially poor, and our nation's commitment to helping the poor gain access to justice through the legal system was stronger. In 1980 we spent about \$27 per poor person to subsidize legal services; today we spend only \$9, about one-third as much. No one can show that the needs of the poor for legal services are any less than they were in 1980. In fact, the housing crisis and long-term unemployment crises call for more help rather than less.

Even if Congress is too uncaring or stingy to provide the poor the help that is needed, the Legal Services Corporation owes it to its clients to identify the need and ask Congress to begin raising its budget, with a goal of returning to the per capita funding levels that prevailed in 1980.

Sincerely,

Ross Eisenbrey
Vice President
Economic Policy Institute