

LEGAL SERVICES FUNDING

Background

In 1974, the Legal Services Corporation (LSC) was established to provide legal representation to the poor in civil matters. LSC-funded programs operate in every state.

The American Bar Association has advocated for an adequately funded and politically independent LSC, but the \$335 million federal program faces attacks every year. The Legal Services Corporation estimates that only 20 percent of the poor's legal needs are being met nationwide. LSC-funded programs supplement their LSC grants with additional funds from state and local governments, IOLTA (Interest on Lawyer Trust Accounts) programs, other federal agencies, bar associations, United Way and other charitable organizations, foundations and corporations, and individual donors.

Legal services providers in 21 states receive funds through increases in certain court fees, new fees on court filings, or increases in fines imposed by courts. State legislatures in 26 states provide direct appropriations for legal services. In virtually all states, leaders from the private bar partner with legal services providers to conduct lawyer fund drives. These initiatives raise more than \$22 million annually nationwide. Several states have implemented voluntary or mandatory registration fee increases to fund legal services. Such fees have generated from \$189,000 to \$941,000 for legal services.

The ABA's Washington, D.C. Governmental Affairs Staff coordinates grassroots lobbying activities to help state bars have a voice with the U.S. Congress in support of adequate federal funding for Legal Services programs.

Missouri Bar Activities

The Missouri Bar has supported adequate federal funding for the Legal Services Corporation for many years. The 1995 long-range plan of The Missouri Bar adopted "Justice First" as its vision. As one of the long-range plan's five primary goals, The Missouri Bar is dedicated "to promote access to legal services for everyone."

Officers of The Missouri Bar regularly visit Washington, D.C. to meet with federal legislators to encourage their support of federal funding for legal services. These efforts have resulted in increased support by Missouri's federal delegation for the work of the Legal Services Corporation.

The Missouri Bar has also been proactive in seeking other funding sources to support legal services to the state's poor. In the mid-1990s, the bar initiated an effort to secure state general revenue for legal services. By 1998, \$750,000 was appropriated to the Department of Social Services for contracts with legal services programs in the state. This amount grew to \$1,550,000 in 2000. Unfortunately, the state's financial reverses eventually resulted in the elimination of state general revenue funding for legal services. To make up for this loss, the bar successfully lobbied for an appropriation from the Tort Victims' Compensation Fund, which resulted in more than \$2 million paid to legal services programs. As the Tort Victims' Compensation Fund was depleted, the bar

turned its efforts to passage of a modest filing fee surcharge on civil and criminal case filings for legal services. Legislation to accomplish this passed in the 2003 legislative session. This initiative provides approximately \$3 million to legal services programs annually, subject to appropriations.

In addition to legislative efforts, The Missouri Bar was also directly responsible for providing additional funding to Legal Services from a \$20 surcharge on bar members' dues, generating \$400,000, as well as a \$100 pro hac vice fee imposed on out of state lawyers, generating approximately \$50,000 annually.

Individual bar members have also been instrumental in persuading courts to direct *cypres* awards to legal services. For example, then-Missouri Bar President Dale C. Doerhoff was instrumental in encouraging the circuit court of Cole County to direct \$700,000 of *cypres* funds to the state's legal services programs in 2003. Pro bono services by bar members reported to The Missouri Bar in 2002 amounted to 507,138 hours.

Increasing funding for the provision of legal services to the poor is an ongoing activity and continues to be a priority for the American Bar Association, The Missouri Bar and many other state and local bar associations. The Missouri Bar will continue to be involved in lobbying activities at the federal level, and will need to continue to be involved in the state appropriations process. Other funding sources will need to be continually developed, in addition to improvements in the administration of the legal services programs, to ensure consistent, efficient service to all areas of the state. Pro bono activities will also continue to be encouraged.