

LEGAL SERVICES CORPORATION HEARING  
CHAIRMAN MOLLOHAN OPENING STATEMENT

February 24, 2010

Good morning. The Subcommittee would like to welcome Victor Fortuno, Interim President of the Legal Services Corporation, and Frank Strickland, the current Chairman of the LSC Board of Directors, to discuss LSC's 2011 budget request and other issues relating to civil legal aid. We are pleased to have you both, and we thank you for your time.

LSC is now in its 35<sup>th</sup> year of existence, and in many ways this will be one of your most challenging years yet. More than 53 million Americans, including more than 18 million children, are now eligible for LSC services. That's an increase of 3 million over previous estimates, and the number of eligible clients will only increase as we continue to receive data on 2009, when the impacts of the recession were being felt by many.

I think it's important that we not forget what it means to be eligible for LSC services. It means that you are living at or below 125% of the poverty rate, which was \$27,563 for a family of four in 2009. The idea of trying to support a family of 4 on less than \$28,000 is challenging enough; when you throw in the burden of dealing with an unexpected and significant legal crisis, it is easy to see what a crucial lifeline LSC extends by providing high quality, free legal assistance.

Unfortunately, the availability of that lifeline to many has been challenged by budget problems at all levels. Federal and State support for legal services have not kept pace with the demand, and the recession and its related effects have severely reduced charitable donations and other sources of legal aid funds. The inadequacy of funding has led to a situation in which one out of every two people seeking assistance from an LSC-funded program is turned away and left to deal with their divorce, or their foreclosure-related eviction, or their appeal for disability benefits, on their own.

With this as context, I would like to use this hearing to discuss your proposed budget for fiscal year 2011 and to hear your thoughts on how that budget will help to alleviate the severe shortage of legal services available to LSC clients.

I also hope to use this hearing to address some criticisms of LSC that have become perennial favorites of the small group of members who don't support your program. I firmly and enthusiastically support any efforts that will improve your program management and reduce instances of waste or abuse, and I will continue to hold you to a high standard in both of those areas. However, I want to make sure that our consideration of those issues is fair, accurate and, most importantly, productive.

Before we invite you to begin with your prepared remarks, I would like to turn to our Ranking Member, Mr. Wolf, for his opening statement.