

LEGAL SERVICES FUNDING ALLIANCE

Clyde Card – Chautauqua
County Legal Services

Anne Erickson –
Empire Justice Center

Robert Elardo – Erie County
Bar Association Volunteer
Lawyers Project, Inc

Lew Papenfuse –
Farmworker Legal Services

Susan Horn – Frank H. Hiscock
Legal Aid Society

Alex Bursztein – Legal Aid of
Rockland County

Paul Lupia – Legal Aid Society
of Mid-New York

Lillian M. Moy – Legal Aid
Society of Northeastern New
York

Alan Harris – Legal Aid
Society of Rochester

David Schopp – Legal
Assistance Bureau of Buffalo

Ken Perri – Legal Assistance
of Western New York

Karen Nicolson – Legal
Services for the Elderly,
Disadvantaged or Disabled of
Western NY, Inc.

Dennis Kaufman – Legal
Services of Central New York

Barbara Finkelstein – Legal
Services of the Hudson Valley

Jeffrey Seigel –
Nassau/Suffolk Law Services

William Hawkes –
Neighborhood Legal Services

Susan Patnode –
Rural Law Center

Lisa Frisch – The Legal Project

Sheila Gaddis – Volunteer
Legal Services of Monroe

Joe Kelemen – Western New
York Law Center

STATUS OF CIVIL LEGAL SERVICES FUNDING IN 2010-11 STATE BUDGET: **Legal Services Funding Cut From \$8.6 million to \$2.5 million**

The Public Protection Budget Bills passed by the Legislature deal a devastating blow to legal services providers across the state. While the legislature was able to restore domestic violence funding and one core funding stream almost completely, two other core funding sources were left with less than 30% of last year's funding level.

These two funding streams, both formerly in the Department of State budget were transferred to the Division of Criminal Justice Services to the Legal Services Assistance fund in an effort to provide funding for providers in light of the Governor's refusal to restore any "legislative adds" from the general fund. All state funding for civil legal services was eliminated from the Executive Budget by Governor Paterson.

The two streams, one championed each year since 1993 by the Assembly (\$4.2 million in 2009) and the other initiated when the Democrats took the majority in the Senate (\$4.4 million in 2009) are essential sources of funding for each and every program in the Legal Services Funding Alliance as well as legal services providers in New York City.

Providers have already sustained 80% cuts in IOLA funding, and other funding sources such as private donations, foundations and other state contracts have been impacted by the recession as well, while the demand for legal assistance has only increased. Efforts to offset the IOLA cuts are well underway, but even if successful, if the state funding cuts stand, civil legal services programs will be forced to eliminate jobs and services immediately.

BUDGET CUTS HAVE ALREADY BEEN FELT

In a snapshot survey of Legal Services Funding Alliance providers in late May, 2010, providers reported substantial loss of jobs and services and severe cash flow problems.

- **2 offices have been closed completely**
- **44 staff have been lost to layoffs or attrition**
- **Whole areas of law have been shut down or seriously curtailed –including:**
 - Family law (3) • mortgage foreclosure (2) • disability advocacy (2) • all housing EXCEPT foreclosure • fair hearings • bankruptcy • immigration • consumer debt • child support • domestic violence • legal assistance for cancer survivors.
- **More than half of providers are experiencing serious cash flow problems.**
 - 5 Providers report being close to their credit limit and/or are requesting an increase in their line of credit • Many are managing cash by delaying payments to subcontractors and vendors • others are having staff take furloughs, take voluntary time off, instituting salary cuts • some report losing staff due to the uncertainty • one provider just issued 7 new layoff notices.

TO AVOID FURTHER EROSION OF ACCESS TO JUSTICE FOR STRUGGLING NEW YORKERS, THE 70% CUTS TO STATE FUNDING MUST BE RESTORED AND IOLA MUST RECEIVE \$15 MILLION IN FUNDING TO OFFSET THE 80% CUTS ISSUED THIS SPRING.

