

Management Information Exchange
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Mattie C. Condray
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Office of Legal Affairs
Legal Services Corporation
750 1st Street, N.E., 11th Floor
Washington, D.C. 20002-4250

Re: Comments on Proposed Revised 45 C.F.R. Part 1611

Dear Ms. Condray:

The Management Information Exchange (MIE) is a national, volunteer-driven organization whose mission is to spark excellence in leadership, management and fundraising in legal services programs serving low income clients, through training, consulting and publishing activities of the highest quality. In that capacity we have relatively frequent occasion to learn of various program management issues and concerns - whether through articles submitted for publication, in dialogues that take place at various training sessions, or in the MIE-sponsored *Management Roundtables*. Additionally, some of our member programs share comments that they submit. We would accordingly like to offer the following comments to the proposed amendments to the federal regulations that govern financial eligibility for clients of LSC-funded legal services programs.

Drawing directly upon the longtime experience of numerous MIE members - experience shared by all those of us serving on the MIE Board - revision of Part 1611 along the lines of the NPRM would be an extremely salutary event. Without attempting to go through every change set forth and explained in the commentary at 67 FR 70376, we certainly can make the overall observation that the negotiated rulemaking (reg-neg) process has been a very productive undertaking in this instance. The additional management discretion and flexibility provided throughout these amendments reflects a substantial level of respect and appreciation for the day-to-day realities "in the trenches". Such deference is highly appropriate and will no doubt be roundly welcomed. By eliminating numerous unnecessary administrative tasks and giving a pragmatic, yet fully meaningful effect to various statutory requirements, LSC is improving the ability of programs to comply as well as its own ability to assure effective enforceability. All of this - importantly - will translate into real savings of time and dollars at a very difficult time.

We note that the NPRM invites specific comment on a few particular issues, such as the treatment, for eligibility purposes, of payroll taxes. (§1611.5). MIE believes that payroll taxes should be deducted from countable income or, alternatively, treated as fixed obligations. As a comment submitted by LAF Chicago urges, “[a] modification of this sort would benefit the many working poor that have great need for legal services.” Of course, that observation applies to every program in the United States.

Similarly, with regard to whether utility bills should constitute fixed debts and obligations (§1611.5), MIE agrees with others who have commented that the Corporation should afford broad discretion to recipient programs to define those expenses that properly constitute fixed debts and obligation for their respective client communities.

Finally, because it could conceivably generate some adverse comment, MIE particularly wishes to add its most emphatic endorsement to the adoption of proposed §1611.8 [Representation of Groups]. As appropriately noted by virtually all of those who are submitting comments, the representation of low-income and low-income interest groups - including those able to demonstrate any practical means of obtaining private counsel - is a vitally effective and incredibly valuable tool for those seeking to provide high quality representation to the poor. It is illogical as well as counter-productive to countenance a system in which many of the groups and/or organizations with which recipient programs are expressly required to coordinate, collaborate, plan, determine priorities, etc., [see LSC Program Letters 95-1; 98-1; 98-6] cannot be represented in appropriate situations. Moreover, it may be worth noting that representation of such groups under the proposed criteria does not in any way authorize recipients to engage in any activities that are other wise prohibited by the other Congressional and regulatory provisions. In other words, there is nothing in the proposed changes that will lead, encourage or permit recipients to engage in prohibited legislative or regulatory activity, grassroots organizing or other prohibited political activities, class actions or other any other restricted activities on behalf of an eligible group. It is true, of course, that the successful representation of a group *can have* an extraordinarily economical, high impact effect on a low-income community. But there is nothing in the Act or the regulations that prohibits such an outcome.

Thank you for the time and effort behind the proposed regulations, the opportunity to comment, and the serious

consideration that we know you will give to our views.

Sincerely,

Patrick McIntyre
For the Regulations Committee of the Board