

MATTIE CONDRAY

From: Finkelstein, Barbara [bfinkelstein@lshv.org]
Sent: Monday, June 20, 2005 2:38 PM
To: MATTIE CONDRAY
Subject: request for views on LSC regulations relating to financial eligibility

Dear Ms. Condray: Following are my comments on behalf of Legal Services of the Hudson Valley regarding the proposed revisions to LSC's regulations relating to financial eligibility.

First I want to thank LSC and it's Board and various committees for undertaking review of Part 1611. The proposed changes are a welcome improvement over the current rule, and will enable programs to serve more clients with greater efficiency.

Specifically, I support the decision not to incorporate the language of section 509(h) of the LSC appropriations act into the rule. I do not support the recommendation to require programs to obtain retainer agreements and believe programs can decide when and if retainer agreements are necessary. Assuming a retainer agreement requirement stays in the rule, I do believe that the proposed version is superior to the current one. I agree that LSC should not have to review and approve retainer agreement forms and that retainers should not be required for brief service and PAI cases.

My program is delighted with the proposed change in the composition of eligible groups for representation. Permitting field programs to represent groups that have as a primary activity the provision of services to financially eligible clients will permit programs to assist low-income community groups in our service area. For example, LSHV just had a situation where hundreds of low-income senior citizens in three HUD subsidized buildings in Yonkers, New York were threatened with eviction because HUD threatened to pull the federal funding due to minor violations in the buildings. LSHV was asked to intervene by a community group which was not eligible and had to interview each client separately under the current group representation rule. The new rule would permit us to represent the tenants more effectively and efficiently.

With respect to the income issues, LSHV supports the "net of payroll taxes" definition of income instead of gross income. Inasmuch the region we serve is a high cost region and the model we seek is to serve people who cannot afford counsel, we think looking at what money the person actually has to pay counsel is the proper measure. We also support an exception for local property based taxes for schools, sewer, water, heating and transportation. We support inclusion of basic utility costs in fixed debts and obligations as it gives a better picture of how much money the applicant actually has to pay an attorney.

With respect to assets, LSHV supports the flexible approach rather than a fixed list. Consideration should be given as to whether the asset is liquid or not and programs should be able to determine what assets to include. We support the proposal to have the executive director or designee approve exceptions.