April 2, 2012

Board of Directors
Legal Services Corporation
c/o Mattie Cohan, Senior Assistant General Counsel
Office of Legal Affairs
Legal Services Corporation
3333 K Street NW
Washington DC 20007

Re: Comments on Notice of Proposed Rulemaking on termination procedures, enforcement, and suspension procedures (45 CFR Parts 1606, 1618, and 1623)

Dear LSC Board of Directors:

The imposition of monetary sanctions will be much more harmful than helpful to any underlying situation and may also destroy legal services delivery for a region or state because many programs are linked strategically and financially to other non-LSC programs as part of a state’s plan for delivering legal services. Also, coming as it does from no fact-based situations, it offers a heavy-handed option with no sense of the consequences.

Here is a summary of the key points against the proposed rule, all of which were made in 2008, the last time such a rule was proposed:

1. Almost any reduction or significant interruption in funding may cause layoffs or other cuts which seriously impair a grantee’s ability to continue to provide services, further eroding client’s access to legal services.
2. Financial penalties (through a limited reduction in funding or an extended suspension) could impact a grantee’s ability to obtain and maintain other funding.
3. In some cases, the imposition of monetary penalties could force a program out of business.
4. Financial penalties will almost certainly hurt other grantees for whom the sanctioned grantee provides services, further lowering their ability to deliver legal services.
5. If a program is doing something so serious that financial penalties are warranted, it is almost certain that termination of the program might be in order, rather than the bleeding to death of services. In cases where the recipient is a state-wide provider, finding an alternate provider may not be easy or practicable, and receivership may be the answer.
6. In cases of board or program ineffectiveness, monetary penalties are not going to help and LSC could instead require a program to spend funds engaging an outside consultant to assist the program in gaining effective control of its operations.

New England largely has a system of paired programs linked by a common and often financial plan to deliver legal services in a state or area of a state. In my opinion, the proposed rules, by casting an inchoate threat over such arrangements, may cause much mischief and, if employed, irreparable harm to our clients.

I sincerely hope that you will not adopt or recommend for adoption the proposed rules.

Sincerely,

Kenneth F. MacIver, Jr.
Executive Director
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