

**Georgia Legal Services Program:
The Case for More State Bar Support**

**Prepared for the Executive Committee of the
State Bar of Georgia
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Executive Summary

The Georgia Legal Services Program (“GLSP”) provides low-income Georgians access to justice in such fundamental areas as food, housing, education and medical treatment. Despite a burgeoning low-income population, GLSP funding has decreased or remained flat over recent years. GLSP has responded by cutting attorneys and staff, consolidating operations, trimming expenses, and achieving efficiencies wherever possible. Today, however, GLSP can do no more cutting or squeezing and still meet Georgians’ growing needs. Today, GLSP calls upon the State Bar for leadership and assistance. Together we must find a way reliably and adequately to fund GLSP and ensure equal access to justice for all Georgians.

GLSP’s Good Work For Low-Income Georgians

GLSP provides free legal service to people whose income is at 125% of the poverty level or below. In effect, it is a state-wide law firm for almost one million people residing in 154 counties.¹

In 2004, GLSP directly served almost 14,000 people. Additionally, GLSP referred more than 30,000 people to private attorneys, other agencies, or other legal service providers, and GLSP maintained websites, in collaboration with others, from which more than 100,000 people obtained information.

GLSP attorneys and staff routinely provide the following services:

- preserve housing for families and senior citizens;
- secure health care for children, families and senior citizens;
- protect families and senior citizens from domestic violence and abuse;

¹ A map illustrating the counties and populations served by GLSP lawyers is attached as Exhibit A.

- access education for all children, especially those with special needs;
- assist senior citizens with end-of-life issues;
- represent persons with limited English, persons who are in institutions, and persons who have disabilities;
- protect the money and assets of low-income Georgians from consumer fraud;
- help grassroots organizations create job training, affordable housing, and after-school programs;
- stabilize and bring dollars into communities by getting disability, Food Stamps, Temporary Assistance to Needy Families, unemployment, and other benefits totaling more than \$400,000 annually; and
- secure almost \$50,000 every month in child and spousal support payments.

The Economic Pressure on GLSP

GLSP closed more cases in 2004 than it did in 1981 even though:

- GLSP had about half the funding, adjusted for inflation;
- GLSP had 10 fewer offices;
- GLSP had 43 fewer attorneys;
- GLSP had 46 fewer paralegals; and
- GLSP had 50 fewer support staff.

Unless funding increases, GLSP projects losing 4 more lawyers and 2 paralegals in 2005. Additionally, GLSP has been forced to place many of its employees on part-time schedules.

The simple fact is that when funding stays flat, GLSP effectively experiences an annual 6% cut due to inflation and increased expenses. In 2001, GLSP funding totaled

\$12,058,673; in 2005, absent increased state bar support, total funding is estimated at \$11,946,959.

On top of flat or decreasing budgets, the number of Georgians eligible for GLSP services constantly is increasing. Today, the number of eligible Georgians has increased to almost one million people. There is no way GLSP can meet the demands of its growing clientele while funding declines.

Supporting GLSP Falls Squarely Within The State Bar's Purpose

The purposes of the State Bar include “to foster among the member of the bar of the State the principles of duty and service to the public,” as well as “to improve the administration of justice.” Rule 1-103. Notably, the preamble to the Rules of Professional Conduct states that a lawyer is “an officer of the legal system and a citizen having *special responsibility for the quality of justice* [italics added].”

Consistent with these official exhortations, the State Bar's younger lawyers founded GLSP in 1970. Over the years, the State Bar has defended GLSP from political attacks and funding cuts, and has assisted with changing legal needs and delivery systems. The State Bar has assisted GLSP by annually asking members to donate money. This request is consistent with Rule 6.1, which states that in addition to providing pro bono legal services, each lawyer “should voluntarily contribute financial support to organizations that provide legal services to persons of limited means.”

Analysis of the Annual Campaign

The State Bar annually asks members to include with their dues a donation to GLSP. Presently, the suggested donation is \$150 per year. Donations made in response to the State Bar's add-on request generally amount to less than half the money that GLSP

ultimately collects from Georgia lawyers. Over the past five years, Georgia lawyers have donated to GLSP the following:

<u>Year</u>	<u>Add-On Donations</u>	<u>Total Donations</u>
2000	\$105,197	\$290,143
2001	\$131,802	\$296,913
2002	\$98,221	\$297,272
2003	\$137,017	\$356,760
2004	\$167,155	\$333,922

An analysis of the 2004 annual campaign illustrates some interesting dynamics in the State Bar's current approach to raising money for GLSP:

- as of March 2005, the campaign had raised \$333,922;
- this money came from 2,823 donors, representing an average donation of \$115;
- donations from the State Bar Board of Governors averaged \$186, and donations from the Executive Committee averaged \$158;
- the largest category of donors (1,520) came from metro Atlanta; notably, and some might say embarrassingly, the second largest category of donors (291) came from out of state; and
- averaged over the State Bar's 2004 membership of 34,733 (as of March '04), the annual campaign raised about \$9.61 per lawyer.

The State Bar provides support for the annual campaign, but GLSP expends tremendous effort and money to collect gifts. For instance, in 2003, GLSP prepared 105,000 brochures at a cost of \$3.05 per brochure. These were mailed to bar members at a cost of \$10,716. GLSP also spent \$7,641 for reply envelopes. In addition, personalized letters and phone requests were sent to 1,327 "lost sheep" – people who had given significant or repeated donations in the past; 181 bar leaders; 410 GLSP alumni; 118

State Bar board of governors; numerous GLSP board of directors; and, GLSP employees. In other words, each year GLSP development staff and board members devote substantial money and valuable time to collect approximately \$350,000. GLSP experiences a return of \$2.53 for every dollar spent on printing, supplies, mailing services, postage, and related expenses. This is a good rate of return for a direct mail campaign, but these resources could be directed at alternative funding sources, such as grant proposals, if the State Bar could find a better way to generate support for GLSP from Georgia lawyers.

What Bars of the Southern Conference Are Doing

The financial pressure facing GLSP is not unique. Legal service programs across the country are facing crushing budget cuts and burgeoning demands. State bars across the country, recognizing their special duties to provide equal justice under law, have responded by creating a variety of programs to raise more money for legal service programs.

Notably, members of the Southern Conference of Bar Presidents have taken leadership positions in providing support to legal services. Indeed, all but one conduct at least one campaign to support legal services. The most successful fundraising is found in Florida and Texas, where the bars annually have raised in excess of \$2 million and just under \$2 million, respectively. Oklahoma and West Virginia are conducting multi-year campaigns with goals of \$1.5 million and \$1.2 million, respectively.

The Southern Conference bars use a variety of methods to raise money.² For instance, in 1997 South Carolina implemented an opt-out program that charges each lawyer \$30 unless he or she opts out. Although the South Carolina bar planned to

² A table outlining the various methods used by the members of the Southern Conference of Bar Presidents is attached as Exhibit B.

eliminate the opt-out program if complaints arose, none materialized and the program still is going strong. In the first year, the program had 80% participation, which subsequently leveled off to about 60-70% participation.

More recently, in 2003, Texas imposed a mandatory assessment of \$65 per attorney, of which half goes to civil legal aid. Missouri also imposes a mandatory assessment, though only for \$20. Notably, both Texas and Missouri are mandatory bars.

Florida imposes a pro bono requirement on its lawyers, but it allows them to “buy out” of the requirement by contributing \$250 each year. In addition, Florida has a suggested add-on to support children’s legal services; in 2003, Florida increased the add-on to \$45. Arkansas, Louisiana, Mississippi and Texas, as well as Georgia, have add-on programs.

Some states have imposed mandatory fees on pro hac vice applications to raise money for legal services. These are Mississippi, Missouri and Texas.

Many states in the Southern Conference do not rely upon one approach but combine several of the above-described methods with each other or with a voluntary donation campaign. In sum, the bar associations of the Southern Conference have implemented a variety of methods to raise money for legal services.

The Georgia State Bar Should Lead the Way

The Georgia State Bar can and should take a leadership role in raising money for legal services. GLSP would like to see the State Bar impose a mandatory assessment. With almost 35,000 members, a \$50 assessment would raise over \$1,600,000 each year without using any of GLSP’s scarce and valuable resources.

GLSP acknowledges that a mandatory assessment may present some procedural issues. If such an approach requires further study and planning, then in the interim, GLSP hopes that the State Bar will follow the lead of South Carolina and implement an opt-out approach rather than the add-on approach that it currently takes. If the current suggested donation of \$150 were made an opt-out, and if only 50% of all Georgia lawyers participated, the State Bar would raise \$2,625,000. Of course, the amount of the opt-out could be reduced. Even if reduced to \$100, at 50% participation, the State Bar would raise \$1,750,000

The opt-out program could be made a trial program. The State Bar could monitor complaints while it sorted out procedural questions raised by the option of a mandatory assessment. Much like South Carolina, the State Bar might find that complaints were few and far between.

Conclusion

There is no time for the State Bar leisurely to ponder funding alternatives and take the temperature of its members. Low-income Georgians need and deserve legal representation now, and GLSP cannot meet those growing needs without significantly increased support from the State Bar. Indeed, each passing year of level donations amounts to a 6% cut in funding. If the State Bar and Georgia's lawyers will not stand up for GLSP and equal access to justice, then who will?

**A Chart of Significant Fundraising Activities for Legal Services
Southern Conference of Bar Associations**
(poverty population per 2000 census shown under state name)

State (poverty population)	Lawyer Fund Drive	Bar Funds	Bar Dues Add-on	Bar Dues Opt-out	Mandatory Contribution	Pro Hac Vice Fee	Totals
Alabama (698,097)	\$48,000 2 campaigns	\$34,000 to pro bono					\$82,000
Arkansas (411,777)	\$167,000 pro bono buy-out program	\$8,500	\$1,670 from local bar				\$177,170
Florida (1,604,186)	\$2,620,500 numerous local campaigns & pro bono buy-out	\$224,000	\$188,500 to Florida Bar Foundation for children's legal services				\$3,033,000
Georgia (1,033,793)	\$330,000 - GLSP \$1,250,000 - ALAS	\$98,000 state and local bars for pro bono work	\$168,000 to GLSP				\$1,866,000
Kansas (257,829)	no bar activity						\$0
Kentucky (621,096)	\$268,000 3 separate campaigns	\$25,000					\$293,000
Louisiana (851,113)	\$165,000 several local campaigns	\$5,000 1 local bar	\$13,000 to LA Bar Foundation for its grantees				\$183,000
Mississippi (548,079)	\$151,000 1 program	\$12,000 proceeds from local bar's special events to pro bono program	\$8,870 for pro bono project			\$200 yields \$175,000	\$346,870
Missouri (637,891)	\$638,000 3 local campaigns				\$20 bar dues assessment, \$408,000	\$35,000	\$1,081,000
North Carolina (958,667)	\$206,000						\$206,000

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Oklahoma (491,235)	raised \$1.15 million of \$1.5 million 3-year goal						\$1,015,000
South Carolina (547,869)	\$47,000 2 campaigns			\$30 opt-out initiated in 1997. \$170,000			\$217,000
Tennessee (746,789)	\$857,000 4 campaigns	\$28,000					\$885,000
Texas (3,117,609)	\$1,892,000 various local campaigns	\$250,000 state bar funds for legal services	\$479,000		\$65 dues assessment of which half goes to civil legal aid, \$1,749,000	\$250 yields \$393,500	\$2,770,000
Virginia (656,641)	\$590,000 several local campaigns	yes, but not separated from Lawyer Fund Drive					\$590,000
West Virginia (315,794)	raised over \$710,000 toward 3-year goal of \$1.2 million	\$18,500					\$728,500

State Bar of Georgia
 Summary of Selected Payment Information
 For the Periods through September 30, 2006, September 30, 2005 and September 30, 2004

	37,048	35,704	34,717
	Through Sept 30 2006	Through Sept 30 2005	Through Sept 30 2004
Total Number of Members (active and inactive)	<u>37,048</u>	<u>35,704</u>	<u>34,717</u>
Dues			
Total Number Paid (Estimated)	<u>36,101</u>	<u>35,315</u>	<u>34,415</u>
Percent Paid	<u>97.44%</u>	<u>98.91%</u>	<u>99.13%</u>
Total Amount Paid - Active and Inactive	<u>7,508,121</u>	<u>6,918,917</u>	<u>6,450,169</u>

Georgia Legal Services

Number Paid (Estimated)	<u>2,734</u>	<u>5,733</u>	<u>2,134</u>
Percent of Total Members Paid as of Sept 30	<u>7.57%</u>	<u>16.23%</u>	<u>6.20%</u>
Amount Paid	<u>291,609</u>	<u>740,943</u>	<u>155,509</u>
Average Amount Paid	<u>\$ 107</u>	<u>\$ 129</u>	<u>\$ 73</u>

Legislative

Number Paid (Estimated)	<u>8,457</u>	<u>5,967</u>	<u>13,661</u>
Percent of Total Members Paid as of Sept 30	<u>23.43%</u>	<u>16.90%</u>	<u>39.69%</u>
Amount Paid	<u>794,247</u>	<u>149,683</u>	<u>272,474</u>
Average Amount Paid	<u>\$ 94</u>	<u>\$ 25</u>	<u>\$ 20</u>

Projected 2006 - 2007 Total Amounts Based Upon The Current Participation Percentages (Note: Participation Usually Decreases For Members Who Pay Later):

Georgia Legal Services \$ 299,258

Legislative \$ 815,082

Note: This is in addition to the June 30, 2006 fund balance of \$195,821.

Projected 2006 - 2007 Legislative Contribution Based Upon Same Participation Level as 2005 - 2006, but assuming a \$100 contribution \$ 622,406

Other Historical Contribution Amounts: (Excludes expenses charged and Pro Bono)	GA Legal Serv	Legislative
2005 - 2006	<u>\$ 751,747</u>	<u>\$ 159,480</u> \$25 Contribution
2004 - 2005	<u>\$ 170,210</u>	<u>\$ 273,613</u> \$20 Contribution
2003 - 2004	<u>\$ 138,160</u>	<u>\$ 279,748</u> \$20 Contribution