

ORIGINAL

LEGAL SERVICES CORPORATION

OPERATIONS AND REGULATIONS COMMITTEE MEETING

RETURN TO CORPORATION SECRETARY ARCHIVES FILE

November 20, 1987

Commenced at 9:35 a.m.

Warwick Hotel
Crystal Room
17th at Locust Street
Philadelphia, Pennsylvania

Present:

Michael Wallace, Chairman
LeaAnne Bernstein
Paul Eaglin
Lorain Miller
Claude Swafford

Hortencia Benavidez
Clark Durant, III
Pepe Mendez
Thomas Smegal
Robert Valois

John Bayly, President
Timothy Shea, General Counsel
Suzanne Glasow, Assistant General Counsel

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CHAIRMAN WALLACE: I think we have a quorum present. I apologize for being late. I was trying to return a call to Mr. Uddo, without much success.

Let me call the meeting to order. This is the meeting of the Operations and Regulations Committee of the Board of Directors of the Legal Services Corporation, convened pursuant to notice duly given in the Federal Register. We have a quorum of the Committee present, along with various other members of the Board of Directors, whom we certainly welcome.

The first thing on the agenda is the approval of the agenda, which members of the Committee will find in their Committee book.

Do I hear a motion to approve the agenda, as printed?

MOTION

PARTICIPANT: So move.

CHAIRMAN WALLACE: Let me ask it this way. Can we have unanimous consent to approve the agenda, as printed in the book?

(No response.)

Hearing no dissent, so ordered.

Have members of the Committee had an opportunity to

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1 review the minutes of the Board meeting of August 27 and 28?
2 Does anyone have any additions or directions to the minutes as
3 printed in the Board book?

4 (No response.)

5 In a minute I am going to ask that we table the
6 minutes. The reason is this: I am looking at Page 3 of the
7 minutes, the paragraph concerning the effect of the lobbying
8 restrictions on recipients' efforts to educate their communities
9 about the new immigration bill.

10 As I read that on the plane coming up here, I
11 remembered we had an extensive discussion on that in Seattle.
12 And at this point, I could not tell you, without referring back
13 to the text and back to the transcript whether that paragraph is
14 an accurate reflection of what we said in Seattle. I remember
15 there were differences of opinion, or at least differences of
16 perspectives about education on the immigration bill.

17 What I would like to do, because I can't remember, and
18 this is going to be important to people, I would think, to get
19 this interpretation right, I would like to table consideration
20 of the minutes until the next Board meeting so we can have a
21 chance to look at the transcript and make sure we got this one
22 straight, because four months later I can't tell you whether

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1 this is exactly what we said or whether it isn't

2 MR. SMEGAL: Mr. Wallace, would it be your intention
3 that we would all be sent a copy of the transcript and try to
4 write our own section of these minutes?

5 CHAIRMAN WALLACE: I don't think that is a bad idea.
6 Any member of the Committee that would like to see it could do
7 so. So let me ask the Acting Secretary, whoever that is today,
8 with the help of Ms. Glasow, because she was involved as we had
9 those discussions, to isolate the portion of the transcript
10 concerning education on the immigration bill and get it out to
11 the Board members, and let's all see whether this paragraph has
12 it right. As I sit here, I could not swear one way or the
13 other.

14 Are there any other concerns regarding the minutes?

15 (No response.)

16 All right. Having gone through all of that, let me
17 ask you now to misconsent that the minutes be tabled until the
18 next Committee meeting.

19 MS. MILLER: I second that, Chairman Wallace.

20 CHAIRMAN WALLACE: All right. Hearing no dissent, so
21 ordered.

22 The chief purpose of the Committee meeting today is to

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1 take preliminary comments on the amendments, proposed amendments
2 to Section 1607 of the Regulations on Board composition.

3 Let me say a few words about where this draft came
4 from. Concerns have been expressed about Board composition by
5 several Committee and Board members for some time. Over the
6 past three years, I know Mrs. Bernstein has called to our
7 attention the provisions in the Act that prohibit employees of
8 recipients from sitting on boards of directors.

9 The current regulations and the current practice of
10 the Corporation gives that a rather restrictive interpretation
11 which says you simply cannot sit on the boards of the outfit
12 that pays you.

13 Mrs. Bernstein's position has been that you cannot sit
14 on any board if any outfit pays you. That language, to this
15 Board member, seems more consistent with the Act, and we have
16 proposed to clarify that in the Regulations, as one of the
17 things that is here to talk about.

18 Mr. Mendez, who is not on this Committee but whom we
19 are happy to have with us today, has raised concerns for quite
20 some time about tenure, people being on the board too long, and
21 about partisan makeup of the board.

22 As you are all aware, this Board, by statute, must be

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1 reasonably well balanced on a partisan basis. It has been Mr.
2 Mendez' view that what is good for us is good for other boards
3 of directors around the country. The spending of taxpayers'
4 money is at issue here, and if it is important to Congress to
5 see that this Board is politically balanced, it ought to be just
6 as important to see the boards that actually spend the money and
7 make the actual decisions at the local level should be equally
8 balanced. So those provisions are in here.

9 The provisions about which bar association and what
10 circumstances shall choose attorney members comes out of
11 discussions that I have had with Congressman McCollum's office.
12 As you know, Congressman McCollum was the author of the
13 Appropriations Amendment that makes clear that boards must be
14 selected -- the majority of the boards must be selected by bar
15 associations.

16 We have discussed some of the problems that that has
17 caused in practice and we have talked about language. Let me
18 say that neither this Board member nor Congressman McCollum, or
19 anyone else, is committed to any of the solutions we have in
20 here. But we certainly did consult with them before doing this,
21 and we put this language out on the table to see where we go.

22 I have read most of the comments that we have so far.

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1 I think there are some constructive suggestions in there, and
2 there are others that I think simply illustrate the problem that
3 we are trying to solve, -- at least I would like to see solved.

4 We had originally closed the comment period in time
5 for this Board meeting. We got requests to extend the comment
6 period because the ABA and other bar associations wanted more
7 time to analyze comment. We have complied with that. We have
8 extended the comment period, I think, until December 10th. That
9 will give us an opportunity to act at our final Board meeting of
10 the year, should we choose to do so.

11 Let me make my own attitude plain on that. I think it
12 is plain, if you have read the extension language in the Federal
13 Register. What I am concerned about is having time to implement
14 whatever decisions are made in time for the 1989 grant year. If
15 we have a record by December 10th that shows us that we do not
16 need 12 months to implement the regulation, then I, quite,
17 frankly, would be happy to take a longer time, to take more
18 comments, take more debate, and polish up this regulation, even
19 if it takes us until February or March to do it.

20 But I do not want to spend until February or March
21 doing it and then find out that the bar associations are telling
22 us it cannot be implemented until 1990. I do not feel like

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1 playing that game.

2 If it takes a whole year to implement it, then I would
3 like to vote in December. If it is going to take less than a
4 year to implement it, I would like the comments to show that in
5 no uncertain terms. If we have got a stack of comments that say
6 let's work on this until February or March and get it right and
7 we will still have plenty of time to implement by 1/1/89, fine.
8 I would be delighted to put a lot of time into this, because I
9 think this is an appropriate and important regulation and I
10 would like to get it right. But I am not going to sit around
11 and drag it out for six months and then be told we have got to
12 wait until 1990 to put it into place.

13 So that is the most important thing to me, here and in
14 Charleston, is finding out how long it is going to take us to
15 implement any regulation the Board should decide to pass,
16 because I certainly would like to see it in place in time for
17 the next grant year. All of that is by way of introduction and
18 how we got to where we are. I want to take public comments. I
19 know we have several people here that just want to talk.

20 Before we take public comment, let me ask members of
21 the Committee and members of the board if any of them have any
22 preliminary comments they would like to make, any discussion as

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1 a Board and as a Committee, before we open this up to the floor,
2 to take general comments.

3 MR. EAGLIN: Mr. Wallace, I would just like to remind
4 you of the comments that I sent to you.

5 CHAIRMAN WALLACE: I appreciate that, Mr. Eaglin. I
6 had hoped to answer them. As you may know -- or maybe you do
7 not know -- we got hit by a tornado in our office this week and
8 have had no electricity, and that kind of make it hard for me to
9 answer my mail.

10 I did read your comments on the deletion of the so-
11 called affirmative action language. That is my own view. I
12 think that the policy of this Administration has been that we
13 are not looking for race-conscious selection in anything. I am
14 certainly not against local programs representing whoever they
15 feel need to be represented. I do not think there is anything
16 in the Regulation that would prevent them from doing it. I do
17 not believe it is consistent with the policies of an
18 administration that has been elected twice to mandate that from
19 Washington.

20 I am not going to bleed and die on that. I am
21 prepared to have the Board think otherwise. That is certainly
22 not the heart of this Regulation, as far as I am concerned.

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1 That's right. That is in here and we have comments on that. I
2 do not know if anybody has seen all of the comments we have, but
3 that is certainly part of what we will be talking about here and
4 in Charleston.

5 Any other thoughts and preliminary comments before we
6 listen to comments from the general public?

7 MR. SMEGAL: Well, Mike, I would just like to make, I
8 guess, a brief comment. I found out about 1607 I guess the way
9 most of the people in this room, other than some of you at this
10 table found out about it, by reading the Federal Register. It
11 is not a matter that came to this Board or this Committee prior
12 to being published about 30 days before today.

13 I think one of the problems, at least in my view, that
14 it presents -- we have now heard your introduction of this
15 subject as if it was fait accompli. I have read about 80
16 responses that we so far received, one of which had nothing to
17 do with this particular subject, unfortunately -- or maybe
18 fortunately. But the remaining, with one exception of the
19 initial letter that was received from one individual, are
20 uniform in their expression of opposition to this proposal.

21 Now, you have thrown -- it is like a Christmas tree
22 covered with ornaments, in a sense. You have got a whole bunch

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1 who are presently doing it and will tell you they are the best
2 way to do it.

3 Now, it makes no sense to me for us to sit here and
4 expect that in Charleston we are going to vote for this; or if
5 we do, that the realities of the political world are that it is
6 ever going to be implemented. I think maybe we should go a
7 little bit more slowly, Mike, and maybe we should be looking at
8 this, giving the public an opportunity to give us their input
9 before we tell them that we are going to implement this and vote
10 on it in Charleston, and put it into effect by March of 1988.

11 CHAIRMAN WALLACE: Let me make two things in response.
12 It has certainly not been the practice of the Board or the
13 Committee to take preliminary votes on proposed regulations
14 before they are even sent to the Federal Register. As far as I
15 know, that has never been the practice. Maybe it should be.
16 But over the years, certainly since I have been here,
17 regulations, in their initial form, and the decision to publish
18 that has been done by the staff and the Chairman, in
19 consultation together, and then we hash them out as a committee
20 for months at a time.

21 I do not think there has ever been any lack of input
22 in this Committee into what goes into a regulation. But neither

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1 has there been a general poll of the membership before something
2 goes to the Federal Register. So there is nothing unusual about
3 the way this matter was promulgated.

4 Secondly, I think I said in the opening that I am not
5 planning to railroad anything down anybody's throat. We do not
6 have to vote in Charleston. I would be delighted to spend as
7 much time as necessary as long as we are not running into
8 implementation problems.

9 One of the ways you defeat things is to drag them out
10 forever. I do not intend to be drug out forever. Let's make
11 some decisions and whatever the decisions are, let's get busy
12 implementing them. We may look at the thing we have got now and
13 decide it is perfect. But then, again, we may not. We are
14 going to have at least two Committee meetings on this subject.
15 By the time we are finished with those Committee meetings, we
16 ought to have some sense of whether board selection is perfect
17 or whether it isn't. I do not think any of us intend to ignore
18 the comments we have received. I certainly do not myself.

19 MR. SMEGAL: The only point, Mike, I would like to
20 reemphasize the fact that the comments are uniform in the
21 direction from which they are coming, and that is that this is
22 something that is not necessary. It ain't broke and let's not

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1 fix it.

2 I would like us to at least go into this with an open
3 mind. If the public -- what they are hearing from you is that
4 this is going to happen, no matter how many thousands of
5 comments we get that say this is not a good idea; I think we are
6 wasting their time and our time.

7 CHAIRMAN WALLACE: If they are hearing that from me,
8 they have not listened to what I have said twice, which is that
9 I am reading the comments, we are all reading the comments, and
10 nobody is running a railroad train. We are going to have at
11 least two meetings and we may have more, depending on what the
12 comments say. So if they are hearing something else, they must
13 not be listening to me.

14 MR. SMEGAL: Well, Mike, I appreciate you saying that,
15 and I am glad we have clarified that.

16 CHAIRMAN WALLACE: Fine.

17 Ms. Bernstein, you were about -- I thought I saw your
18 hand move.

19 MS. BERNSTEIN: The only thing I was going to say, I
20 also found out -- although I appreciate Mike having incorporated
21 a concern, which I think you will remember is that I have
22 expressed a number of times. I appreciate his having

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1 incorporated in the draft that was published in the Federal
2 Register, I did not know either that this was something that was
3 going to be taken up at this time.

4 I would like you -- I think it is important for us to
5 deal with these issues that keep coming up and the concerns that
6 keep coming up, rather than just assume that just because it is
7 the status quo we should keep it forever.

8 CHAIRMAN WALLACE: All right. If there are no other
9 preliminary comments from the Board and from members, let me ask
10 Mr. Shea and Ms. Glasow -- I do not know that we need a summary
11 of the comments. We talked about that last night. I think we
12 will wait until all the comments are in.

13 Do we have people that you all know of that have
14 written or asked to speak? If we do, I would like to recognize
15 them first before we just throw open the microphone.

16 MR. SHEA: The answer is yes, we do. There are at
17 least three individuals who have requested to speak. Maybe Ms.
18 Glasow can address that.

19 MS. GLASOW: I gave you a memo last night. One was
20 Mr. Oxholm. I do not know if he is here.

21 MR. OXHOLM: I am.

22 CHAIRMAN WALLACE: You probably did, and it is lost in

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1 this briefcase.

2 MS. GLASOW: Someone was going to come from Southeast
3 Missouri Legal Services.

4 CHAIRMAN WALLACE: You all are here?

5 MR. GILMORE: Gilmore.

6 CHAIRMAN WALLACE: Okay. Mr. Gilmore. Is there
7 anybody else?

8 SHEA: Yes. There is Philip Waystack from the State
9 of New Hampshire who is here, as well, and wishes to address the
10 Board.

11 MR. WAYSTACK: Waystack is here, Mr. Chairman.

12 CHAIRMAN WALLACE: I see you, Mr. Waystack. Good to
13 see you again.

14 MR. WAYSTACK: Thank you, sir.

15 CHAIRMAN WALLACE: I see Mr. Houseman. I would be
16 surprised if he didn't have something to add before we were
17 done. But let me start with the three people who have come to
18 us in advance, then we will open it generally.

19 Mr. Oxholm, is it.

20 MR. OXHOLM: Yes, sir. Thank you.

21 CHAIRMAN WALLACE: Mr. Oxholm, if at some point during
22 this I fetch myself a cup of coffee, please do not be offended.

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1 MR. OXHOLM: I won't, and you need not even get me
2 one. I have had a couple already.

3 CHAIRMAN WALLACE: Mr. Oxholm, I understand you are
4 from Philadelphia, and let me ask you to identify yourself, and
5 we will be delighted to hear what you have got to say.

6 PRESENTATION OF TOBY OXHOLM

7 MR. OXHOLM: Thank you, sir. My name is Toby Oxholm.
8 I am from Philadelphia. I am a Deputy City Solicitor for the
9 City of Philadelphia. I am also Chairman of the Bar
10 Association's Committee on the Delivery of Legal Services, a
11 position I have held for about two years.

12 On behalf of the Philadelphia Bar Association -- I do
13 not think anyone has been here yet from our association, but I
14 would like to welcome you to our city. We have spent the year
15 celebrating the Bicentennial of the Constitution. I think it is
16 wonderfully fitting that this Committee and the Board comes here
17 to Philadelphia to talk about matters of such great concern to a
18 large portion of our population. In Philadelphia, we estimate
19 that the numbers of people qualifying for legal services exceeds
20 400,000, and that is a good number to be worried about here.

21 Our Bar Association is quite large. It numbers over
22 10,000 people. The Committee on the Delivery of Legal Services

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1 probably numbers around 40 individuals. I would like to thank
2 the Committee and the Board for extending the comment period.

3 We did not find out about the proposed regulation
4 change until earlier this month. Our Board of Governors meets
5 monthly, and they are not meeting until next Tuesday. I do have
6 for the Committee some responses from my committee that will be
7 going to the Board of Governors on Tuesday. I have been asked
8 by the officers of the Bar Association to come and talk to you
9 today about the proposed regulations.

10 I think the best way to start is to really talk with
11 you about how we have been involved in legal services here in
12 Philadelphia. Our local arm is called Community Legal Services.
13 The Bar Association appoints the attorney members, as you know
14 well. We now have 40 members of Legal Services Board, and the
15 Bar Association is appointing 60 percent of them, 24 members.

16 Over the course of the past couple of years that
17 number has increased, and I think our Chancellor Sy Kurland,
18 will be speaking to you in a couple of hours and he will give
19 his perspective, as Chancellor, on what he has done and the role
20 he has played. I tell you in advance that it has, indeed, been
21 a very active role.

22 But from my perspective, as the Chairman of the

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1 Committee on the Delivery of Legal Services, to which we are
2 delegated the obligation of working with CLS, I can tell you
3 that we have worked very hard with CLS over the last couple of
4 years.

5 Undoubtedly, you know about some of the problems that
6 LSC has had with CLS and that CLS has had with LSC. We have had
7 some major financial problems over the last couple of years. I
8 can tell you that our committee has been very heavily involved,
9 working with CLS, on getting that house in order, and we are
10 very, very confident of where CLS is today.

11 I also want to thank President Bayly for having us
12 down to Washington. I accompanied our CLS Executive Director
13 and Chairman when we went down to talk to the president. I
14 thought it was a wonderful meeting, and I wanted to let the
15 Committee know about that meeting. It was wonderfully
16 refreshing. We had a great -- most of the day down there. We
17 came back with some wonderful ideas.

18 We have played a very active role in CLS in the
19 delivery of legal services to the poor here in Philadelphia. It
20 was through our Committee that we set up, with CLS's active
21 participation and help and sponsorship, what we think is one of
22 the best pro bono programs in the country.

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1 We are now handling -- we will be handling about a
2 thousand referrals this year, which is the first year of the
3 organization's existence. It is called Philadelphia Volunteers
4 for the Indigent Program. We have a professional staff of an
5 attorney -- two attorneys now, two paralegals and one and a half
6 secretaries, one full time and one part time, and we are
7 operating with CLS.

8 That program could not, could not have gotten off the
9 ground without the participation by the Philadelphia Bar
10 Association in it. The Bar Association is not only giving us
11 significant monies -- for the coming year it will be in excess
12 of \$50,000. It gives us repeated publicity. It gives us
13 repeated staff services from their organization. It gives us
14 mailings. It gives us just about anything that VIP needs.

15 I tell you that the reason that works is because the
16 Chancellor knows about CLS, is involved in the selection of the
17 attorneys who represent the Bar Association on the CLS Board,
18 and is actively involved in the review of CLS activities as the
19 year progresses, and has been in constant review since at least
20 1983 when I was appointed to the board by Chancellor Ginnis. We
21 give regular reports to the Board of Governors, and they know
22 well what is happening in CLS.

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1 With reference to the specific regulations that are
2 proposed now for implementation on the boards, I would tell you
3 that our committee was unanimous in our agreement that those
4 regulations really have no place in Philadelphia and would work
5 against what we have been working on for so long.

6 We are very active, and the trustees that are
7 appointed by the Board of Governors, through the Chancellor, are
8 very active. The interchange between the Board of Governors and
9 the Bar Association and the CLS Board of Trustees is critical to
10 the success of the different programs we run and the
11 cooperation.

12 Where before 1983 there was, I would say, general
13 ignorance about how CLS was operating, but some theoretical,
14 philosophical agreement that there had to be an organization
15 like CLS in Philadelphia to serve the poor, now there is an
16 active involvement.

17 If you were to take away from our Bar Association the
18 ability to screen applicants for the position, to tell CLS what
19 it is we want to see on the board, to select the members of the
20 attorney members who go and serve on the CLS board, to review
21 their performance, their attendance, their activities, what
22 committees they serve on, what actually they have accomplished;

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1 if you were to take that from us and to give it to the
2 Pennsylvania Bar Association, we would lose all the information
3 that we are now getting from CLS. We would be unable, as a
4 practical matter, to keep the relationship functioning as
5 smoothly as it now functions.

6 I think President Bayly can tell you that when we went
7 through our crisis a couple of years back, it took a lot of Bar
8 Association time, CLS trustee time, CLS staff time, LSC staff
9 time, the president's to work through that.

10 That will not occur if you delegate it to people from
11 Harrisburg, or Erie County, or Pike County, or Center County who
12 do not know the first thing about Philadelphia, and haven't had
13 the opportunity to be here and work through things on sometimes
14 a daily basis, which is the way it got for a while.

15 We had a hard time in our discussions among the
16 committee, and it went for a long time, trying to figure out
17 where some of these proposals came from. They really -- they
18 had no -- as far as we could see, they just did not affect us or
19 did not have any bearing on how we work in Philadelphia.

20 We are a unified bar, we have a unified service area.
21 There is no conflict in who appoints whom. There is no lack of
22 interest. Attorney trustees who are not participating get taken

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1 off the board very quickly. We just were not sure why these
2 regulations were coming out. But as we talked about them, we
3 were most concerned with the selection problem.

4 The composition problem, limiting the size to 19,
5 would also do a great disservice to us now. The Committee on
6 the Delivery of Legal Services represents every aspect of the
7 Philadelphia Bar Association. We have people from big firms and
8 small, all the bar associations, Hispanic, Asian-American, Black
9 Bar Association called Barristers, the Philadelphia Bar
10 Association. We have paralegals that come with us. They just
11 come from all over.

12 What I could tell you, from our review of CLS and its
13 activities, that Board of Trustees is also wonderfully diverse.
14 It reflects the population that is served. It has members from
15 all the local law schools, in addition to all the different bar
16 associations and all the different groups.

17 If you were to cut the number of attorney trustees of
18 CLS in half, which is what this regulation would do, you would
19 be excluding all the connections that CLS trustees have with
20 their community. If you are going to hook up the three
21 different law schools, and you are going to hook up the four
22 different bar associations, you are right up against the limit

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1 of trustees that could be appointed, without any reference to
2 large law firms, small law firms, sole practitioners, people who
3 do this kind of work, people who don't do this type of work.

4 It would cut off the access that CLS has to the real
5 corners of power in the Philadelphia legal community, which
6 isn't just the bar association. It is governing bodies of the
7 major firms, the medium sized firms and the small firms.
8 Cutting the number will have a drastic impact on them.

9 I can tell you that when you talk about whether or not
10 there ought to be Republicans or Democrats or Independents -- I
11 work for the city so I cannot get involved in political
12 activities. There is no suggestion that politics is playing
13 parts of how CLS works in Philadelphia.

14 I can tell you that I saw one of the trustees on TV at
15 one of the Republican Gubernatorial meetings or press
16 conferences, and I can tell you that I have seen Democratic
17 members -- people at Democratic meetings on TV, as well, from
18 the CLS Board of Directors. But there is no suggestion that
19 that is playing in role in how the CLS Board of Trustees is
20 actually functioning.

21 We have not heard any indication that that is so. If
22 this Committee has heard otherwise, I am sure the Chancellor

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1 would be interested in hearing from you when he appears before
2 the Board. But that has not played a part.

3 I think you will find that the Board of Governors of
4 the Philadelphia Bar Association also does not ask what
5 political party its members are drawn from. You will find out
6 from our Chancellor that we have well more than 19 members on
7 our Board of Governors -- I think it is 35. I think would be
8 hard pressed to say that everyone of those members isn't very
9 active in the affairs of the Bar Association. So I would
10 suggest to you that the composition regulations really have no
11 bearing here in Philadelphia.

12 There are a couple of others that I wanted to address.
13 One is tenure and one is committee authority. On the tenure
14 factor, I think that is something best left to the Board of
15 Governors when they review candidates.

16 As I told you, our Chancellor has never been laid back
17 in how he appoints. Every year there has been close scrutiny
18 given to the people who are nominated, proposed for membership.
19 More people are proposed than are selected, so there is a choice
20 going on by the Chancellor of the Philadelphia Bar Association.
21 If there is any suggestion that someone is not pulling his or
22 her weight, that person is gone, or closely talked to by the

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1 Chancellor, and he will tell you that when he is here, I am
2 sure.

3 On the committee authority, what committees ought to
4 be able to bind CLS and what they do on the Board of Trustees,
5 our feeling is that is really better left to that corporation.
6 Just like any corporation that regulates itself, surely there
7 has to be the ability for that corporation to move quickly. I
8 think every corporation that exists has the ability to delegate.

9 I think you will see, from your review of CLS's
10 activities that all of the activities of its committees are
11 reported to the board and discussed at the board level. We
12 receive copies of the minutes of the CLS Board of Trustees, as I
13 believe you do as well. We cannot understand why it would be in
14 CLS's interest, or the interest of the 400,000 client population
15 that it serves, to limit its ability to react quickly to matters
16 of great concern to the clients.

17 That is the extent of the prepared remarks that I
18 have. The committee did put together a report which it
19 submitted to its Board of Governors, and I have that available
20 to you. I have been authorized to release it.

21 The Board of Governors, as I said, will not be meeting
22 until Tuesday, and they will then be considering what the Bar

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1 Association's position will be on this. Then they will submit
2 their comments.

3 Again, I want to thank you on behalf of the
4 Association for extending the time in which comment could be
5 given to your Committee.

6 CHAIRMAN WALLACE: We appreciate it, Mr. Oxholm.

7 Ms. Glasow, can you pass those around to the Board,
8 because I think we would all be interested in seeing them, or
9 some would.

10 MR. OXHOLM: Is there anything I can tell you about
11 how our board works, our Board of Governors, the committee
12 structure?

13 CHAIRMAN WALLACE: I think you probably can.

14 MR. EAGLIN: Starting with the position of the
15 Chancellor that he has mentioned.

16 CHAIRMAN WALLACE: I think that is fine. Mr. Eaglin
17 would like you to do that, and start with who the Chancellor is
18 and what his function is.

19 MR. OXHOLM: The Chancellor of the Philadelphia Bar
20 Association is selected three years before service begins. He
21 is elected -- he becomes the Vice-Chancellor, then the
22 Chancellor-Elect, and then the Chancellor. So there is three

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1 years of service that this particular individual will have on
2 the Board of Governors of the Philadelphia Bar Association.

3 The current Chancellor's name is Sy Kurland, Seymour
4 Kurland, and I believe he is on the agenda for the Board, your
5 Board, that begins at 11:00 o'clock. I believe he will also be
6 speaking to you and he will be able to tell you a little bit
7 about what he does. But he runs the Association. He is the
8 Chancellor for one year, and then he remains on the board as the
9 Chancellor ex officio for two years, I believe.

10 CHAIRMAN WALLACE: Other questions from Board members?

11 MR. OXHOLM: Just so you know, he is a partner in, I
12 think, one of the three biggest firms in the city, Wolf, Block,
13 Shore and Solovenitz.

14 MR. SMEGAL: Just out of curiosity, you have, you say,
15 about 40 members, 35?

16 MR. OXHOLM: We have about three dozen members on the
17 Committee of Delivery of Legal Services.

18 MR. MENDEZ: Well, it says 40 members of the Board of
19 Trustees of the --

20 MR. OXHOLM: Of CLS, yes.

21 MR. SMEGAL: What number attend each meeting?

22 MR. OXHOLM: As I understand -- you are asking about

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1 attorney members?

2 MR. SMEGAL: That is correct.

3 MR. OXHOLM: I would think that more than half -- I
4 would probably say more than three-quarters, but without looking
5 again at the minutes, it would be hard for me to say. I know
6 that the Chancellor has asked for attendance sheets in order to
7 make the next selection.

8 The next Chancellor will be Larry Buscinni who will be
9 Chancellor this coming year, and he has requested attendance.
10 As I recollect, all the attorney trustees, with one or two
11 exceptions, have been there more than 40 percent of time, and
12 the average is probably up around 60 or 70 percent.

13 MR. MENDEZ: Let's talk a little bit about tenure.
14 How many of these members of your board have been on more than
15 four years?

16 MR. OXHOLM: The CLS board? I really do not know the
17 answer to that. I would assume -- well, the CLS bylaws, there
18 are a couple of positions that are given. One is to the Public
19 Defender who does the free legal services for the poor in
20 criminal cases. The Public Defender, I think, has been on the
21 board for a very long time, either himself or through somebody
22 who represents him, and that is by bylaw. I would be surprised

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1 if more than half a dozen members, including clients, have been
2 on the board for four years or more.

3 MR. MENDEZ: That was the next question I was going to
4 ask, was about the clients. What number of clients have been on
5 there for more than four years?

6 MR. OXHOLM: Probably only two or three that I can
7 recall, but I really do not know the answer. I have not looked
8 at that.

9 MR. MENDEZ: What you are saying, though, is that
10 probably that provision, the tenure provision, probably would
11 not affect it very much?

12 MR. OXHOLM: I do not know. I mean I really have not
13 looked at that. CLS is now into its twenty-first year, so there
14 might be people who have been around a long time. I think a lot
15 of the people on the CLS staff have been around. I do not think
16 the Board of Trustees, with the possible exception of the Public
17 Defender, have been on for six years or so. There may be a few
18 attorneys, may be a few clients.

19 But our feeling is, the Committee on the Delivery of
20 Legal Services, was both CLS, the Board of Trustees or their
21 Chairman, the president, and the Board of Governors of the Bar
22 Association felt that it was appropriate to keep on someone who

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1 had been there with a long tenure, for whether it is experience
2 or the history or knowledge of how these different offices run,
3 and that that was a decision best left to the Chancellor, to the
4 Board of Governors, once they have satisfied themselves that
5 person was actively contributing to the operations of CLS.

6 MR. SMEGAL: A couple of questions. In your report
7 here, you indicate that by Federal law, 60 percent of your board
8 are lawyers. The Federal law to which you are referring, is
9 that the McCollum Amendment?

10 MR. OXHOLM: I do not know, sir. I believe so. I
11 just always understood that it was 60 percent.

12 MR. SMEGAL: It has always been 60 percent, or it has
13 been 60 percent over the last few years?

14 MR. OXHOLM: I think from 1983 on, I think is when the
15 appointment came to our Bar.

16 MR. SMEGAL: Do you know anything about the way this
17 board is constituted that is different, uniquely different than
18 what other relationships between bar associations across the
19 country in programs that they do?

20 MR. OXHOLM: I do not, sir. We had the American Bar
21 Association in to help us when we created the Philadelphia
22 Volunteers for the Indigent Program, Philadelphia VIP. They

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1 came in for an all-day session with our committee about two
2 years ago now.

3 We asked them for what they saw across the country,
4 about how programs are set up and the types of interchange
5 between different programs. Our sense was at that time that we
6 were doing things fairly consistently, and we did not report to
7 our Chancellor that there was a better way we had heard of. But
8 we have not gone out and considered how other boards operate.

9 MR. SMEGAL: So as far as you know, if we went to
10 Austin or San Francisco or Atlanta and had someone like you come
11 in and give us a presentation, we would hear essentially the
12 same thing on the makeup of their board and the way it is
13 constituted, the way the association involves itself.

14 (Laughter.)

15 MR. VALOIS: I am not going to touch it.

16 MR. OXHOLM: The only thing, I was asked by the ABA to
17 go out and speak about our pro bono program in Seattle, and I
18 talked with some people out there, the bar leaders. We did not
19 get down into that level of discussion, so I really cannot tell
20 you. All I can tell you is that the pro bono program that we
21 set up was the subject of great concern out there, and they
22 asked us how we did it. We always came back to the close

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1 relationship between the two. I mean without that, the pro bono
2 program would fail.

3 We tried setting it up in 1981, telling CLS what we
4 were going to do, and it died by 1982 or 1983. I mean there was
5 not the cooperation. They didn't send us the cases we wanted.
6 They didn't know what we wanted. We didn't know what they
7 wanted. We sent each other letters a lot, and the program went
8 right down the tubes. It is only because we are working so well
9 now on a regular basis that we can set up this independent
10 corporation through the pro bono referrals.

11 CHAIRMAN WALLACE: I have got a couple of questions.
12 How many members on the Philadelphia City Council? Do you know?

13 MR. OXHOLM: I believe 17, but I would not swear to
14 it.

15 CHAIRMAN WALLACE: I want you to know, I am not
16 married to the number 19. I didn't pick it. I asked the staff
17 where it came from, and that is apparently the median number in
18 all 300 programs, half are below and half are above. But if you
19 can run the City of Philadelphia with 17 people, why do you need
20 more than 19 to run one aspect of the City of Philadelphia, its
21 legal services program? Maybe you cannot run Philadelphia with
22 17 people.

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1 MR. OXHOLM: Thank you. I appreciate that.

2 As I understand it, the number 17 was adopted for the
3 city by Home Rule Charter in 1950. Right now there is a charter
4 committee looking at whether or not that is sufficient. I just
5 cannot tell you one way or the other about how that works or
6 not. I really just do not know. Certainly, with our Board of
7 Governors, it is not limited to that.

8 CHAIRMAN WALLACE: Are they paid, the city council
9 members?

10 MR. OXHOLM: Yes, they are.

11 CHAIRMAN WALLACE: The reason I ask is that there are
12 programs in the country that have 50, 60 board members, and
13 there isn't a city in the country that has that many on its city
14 council. It is not immediately apparent to me why you need that
15 many, and how you can run an effective type board unit with that
16 many people. That 19 may be too few, but I think we have a real
17 problem out there at 50, 60 outer limits of board numbers. That
18 is why I hope we can find a number -- maybe more than 19, but
19 less than infinity.

20 MR. OXHOLM: Mr. Chairman, let me at least address one
21 of the things that I am aware of. Right now we have a board
22 member who was appointed last March, April or May, who has only

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1 made two meetings, an attorney. He is a leading member of one
2 of the largest firms. It is a Republican member -- he is the
3 guy I saw on TV. He is absolutely instrumental, absolutely
4 instrumental in helping CLS raise money, which is raising now
5 over \$100,000 a year from private law firms, and I can tell you
6 that before the Bar got involved, that number was zero.

7 The only way CLS can get into these high level law
8 firms is by having people who are willing to take their case for
9 them into those governing bodies. Before 1983, there was none
10 of it. Now, CLS is able to get into a lot of those doors. And
11 fund raising is critical to organizations like CLS.

12 CHAIRMAN WALLACE: Let me ask this. Why is it so hard
13 -- maybe it isn't so hard -- but why would it be so hard if the
14 Pennsylvania State Bar were to be the official appointing
15 authority, for the Philadelphia Bar to cooperate with them in
16 the selection, screening and oversight of board members? Is it
17 any different in kind than the difficulty that Philadelphia City
18 Council has in relating to the Pennsylvania State Legislature?
19 Is there any reason to believe that Pennsylvania State Bar would
20 not listen to the City of Philadelphia's Bar and follow your
21 lead in its oversight duties of CLS here in Philadelphia?

22 MR. OXHOLM: I think you do have to know a lot about

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1 how Philadelphia relates to Harrisburg. And if you really knew
2 that, you would understand why that doesn't work at all. In
3 fact, a lot of the initiatives that come out of Philadelphia are
4 rejected before they start in Harrisburg.

5 That is true for our representatives, as well. On the
6 legislative end, we have a very hard time getting programs
7 through Harrisburg. And the Bar Association activities -- our
8 bar association has been working for a number of things, merit
9 selection of judges, things like that, that have received very
10 little support, or begrudging support from the State Bar
11 Association.

12 That is a process of working, it takes a long time. So
13 from our perspective, the Committee on the Delivery of Legal
14 Services, it might be very difficult to accomplish the close
15 working relationship that we now have here in Philadelphia.

16 But I think the real question is why would you want to
17 draw the appointing power farther from the community that the
18 trustees are going to serve. I could understand if this were a
19 state-wide organization, CLS, that was doing providing legal
20 services state wide. But there can really be no doubt that the
21 attorneys who best understand Philadelphia, as a bar
22 association, is the Philadelphia Bar Association.

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1 CHAIRMAN WALLACE: Let me tell you why, and I am not
2 sure that it is going to prove practical as we get to the end of
3 this thing. The problem comes not in Philadelphia or the local
4 bar, apparently a very well tied to the local legal services
5 structure, but the problem is in other areas where that tie is
6 not nearly so close, as I read these comments.

7 There are programs in the country who, rather than
8 getting the bulk of their people from their local -- one thing
9 is, you all sort of have a coterminous zone here. CLS has the
10 same boundaries that the bar association does.

11 MR. OXHOLM: That is right.

12 CHAIRMAN WALLACE: That is very rare. In Mississippi
13 we have got 82 counties and six programs, and you can pick and
14 choose. I think it is done -- you pick and choose counties you
15 want to do business with. You also pick special interest bars,
16 minority bars, what have you, so that the mainstream bar is not
17 represented. I don't know how, in passing a regulation to
18 govern the whole country, we ensure that the mainstream bar is
19 represented unless we do it by reference to the state bar which
20 is, by definition, the mainstream bar.

21 You may not have a problem in Philadelphia. I do not
22 know how, as a regulation, we can look at 330 program and say,

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1 "This program has to use this bar association, and this program
2 has to use that bar association." The only thing that is "one
3 size fits all" is the state bar. I realize there are practical
4 problems with it.

5 But you want to know why. We know the state bar is,
6 at least theoretically, responsible to every lawyer in the
7 state, and we do not know that about the X county bar
8 association, which is one of 30 counties in this area. It ain't
9 perfect. I ain't telling you it is perfect, but that is the
10 problem we are facing.

11 MR. OXHOLM: I really cannot help you on that because
12 we are not involved in that situation, as we agree. I am sure
13 you have gotten comments from other jurisdictions where that is
14 a problem.

15 My suggestion to you would be to start your proposed
16 regulation with, "Unless the two groups are coterminous," and
17 that would resolve all the problems you are talking about. At
18 least from the Philadelphia point of view, there is no reason
19 for it. It seems a fairly easy drafting change to get it away
20 from bars that are working, obviously, very closely. I am sure
21 there must be other bars such as ours, otherwise these other
22 programs could not be working either.

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1 CHAIRMAN WALLACE: That is a constructive suggestion,
2 and it might work. Let me ask you one other thing. The purpose
3 of the McCollum Amendment, as I read it, is to democratize the
4 selection. They wanted to make sure that the general bar
5 membership had some control over what was going on in the
6 program.

7 In Philadelphia, you elect your Chancellor three years
8 in advance, and I presume he has a great deal to say in who is
9 on the committee. I do not know if he appoints them all -- does
10 he?

11 MR. OXHOLM: He nominates them, and the Board of
12 Governors then actually elects, appoints them.

13 CHAIRMAN WALLACE: If a segment of the Philadelphia
14 Bar got absolutely outraged over something that was going on in
15 CLS and they wanted to change it now, not three years from now
16 when the new Chancellor would come in, what would that group of
17 lawyers have to do in order to let their democratic voice be
18 heard? What would they have to do in order to get the
19 Philadelphia Bar to make changes at CLS? Tell me how it would
20 work.

21 MR. OXHOLM: I think probably that is the easiest one
22 to answer. Because the Bar Association's Board of Governors is

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1 so large, there is no doubt that it represents every possible
2 segment of our Bar Association. There are regular meetings, and
3 people come -- they are open meetings. People are elected.
4 They run. In a body of 10,000 people, they have got to touch a
5 lot of bases. Since they are elected, they are representative
6 of the electorate.

7 CHAIRMAN WALLACE: Are they elected annually?

8 MR. OXHOLM: Annual elections, yes, sir.

9 CHAIRMAN WALLACE: Are they one-year terms or are they
10 staggered?

11 MR. OXHOLM: I think they are staggered terms. We
12 have an election coming up, actually next month for, I think,
13 five members of the Board being elected, the Secretary, the
14 Assistant Secretary, Treasurer, Assistant Treasurer, and the
15 Chancellor for three years hence.

16 CHAIRMAN WALLACE: I appreciate that.

17 Any other questions of this witness from the Board?

18 MR. OXHOLM: As I understand it, those officers, the
19 Treasurer and Secretary, are elected every year.

20 CHAIRMAN WALLACE: Any other questions?

21 MR. MENDEZ: I have one other thought. How do you
22 determine the priorities in your board, your group?

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1 MR. OXHOLM: Excuse me, sir?

2 MR. MENDEZ: How do you determine the priorities of
3 the community's Legal Services Program? When is the last time
4 you ran some sort of an evaluation or determination? What
5 activities does your group do?

6 MR. OXHOLM: As I think about it, that process is just
7 about ready to go, or has started at CLS. The last time it
8 happened was probably a year ago, a year and a half. I really
9 do not know for sure.

10 MR. MENDEZ: Do you know how it is done?

11 MR. OXHOLM: Through the community advisory councils,
12 through questionnaires, through -- we have five neighborhood
13 offices, and it is begun at that level through the Client
14 Services Committee leadership. That is a trustee who happens to
15 be a client.

16 MR. MENDEZ: Do the attorneys make suggestions about
17 what activities ought to transpire, or is just strictly based on
18 the return of the surveys?

19 MR. OXHOLM: No. As the surveys come back, they are
20 then looked at by the CLS managing attorneys. They are brought
21 to the Board, "This is what has come up through the staff and we
22 talked about." It does not get adopted unless the Board of

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1 Trustees looks at it. I do not think there is any issue that
2 has ever come up at the Board of Trustees that has not been
3 debated.

4 Right now CLS is handling only emergency cases. So it
5 is a question of allocating scarce resources over emergency
6 matters. Where VIP helps out is, CLS can refer nonpriority
7 matters or spill-over priority matters, or conflict cases to an
8 organization of the Philadelphia Bar Association, where we then
9 take them and find private attorneys for them for free.

10 CHAIRMAN WALLACE: Thank you, Mr. Oxholm. I
11 appreciate it.

12 MR. OXHOLM: I appreciate the Committee listening to
13 all that I had to say.

14 CHAIRMAN WALLACE: We are glad to hear it.

15 I notice that it is 10:15. We may try to keep some of
16 the comments a little bit shorter from here on out, but we
17 certainly want to hear from our hosts in Philadelphia.

18 Mr. Gilmore, I think you are the next person who had
19 asked to speak.

20 PRESENTATION OF WEBER GILMORE

21 MR. GILMORE: Thank you, Mr. Chairman.

22 We agree with some of Mr. Oxholm's comments, and some

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1 we do not. We come from a very rural area. We have a 15-county
2 area that we cover.

3 CHAIRMAN WALLACE: What is your first name, Mr.
4 Gilmore?

5 MR. GILMORE: Weber, W-E-B-E-R.

6 CHAIRMAN WALLACE: And you are from South Missouri
7 Legal Services?

8 MR. GILMORE: Yes, sir.

9 CHAIRMAN WALLACE: Go ahead. I am sorry to have
10 interrupted.

11 MR. GILMORE: Number one, we believe that if you are
12 going to have a number of 19, why not make it 20 and draw 60
13 members -- 60 percent of the members have to be attorneys, and
14 it factors out a little better that way.

15 We are concerned about this limitation on the board
16 membership because that would immediately disqualify 50 percent
17 of the members of our board. From the standpoint of being a
18 small area and given the current economic and work load
19 pressures that most private attorneys do experience in their
20 day-to-day life, we find it difficult to really get somebody
21 that is willing to devote an appreciable amount of time to the
22 needs of the board.

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1 We felt like the 6-year limitation would affect us.
2 Certainly, we do not have that many attorneys scattered out
3 through the area, which is rural, and drive 75 miles, 100 miles,
4 from one end of the area to the other. In some counties you
5 might have five attorneys, total, that make up the county bar.
6 The attorneys that live outside the area really have no occasion
7 for what your recipients' legal problems might be, because they
8 differ from area to area.

9 We felt like on your electing the nine-member board
10 throughout the state, let the state bar association do it -- the
11 first thing first, we do not really know. Have you had any
12 comments from many bar associations as to whether or not they
13 would undertake that responsibility?

14 CHAIRMAN WALLACE: We have had some from state bar
15 associations, and I would certainly say they expressed
16 skepticism over that.

17 MR. GILMORE: We feel like the legal needs within a
18 specific area are very -- they vary. We have got some of the
19 counties in our area that have very few minority people, some
20 counties that are heavy with minorities, so their needs differ.
21 If you had somebody out of the area that was on the nine-man
22 committee trying to pick a board member, number one, he might

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1 not have the rapport to get that one person -- you do not say,
2 "I want to designate you to be a member of the LSC board." It
3 has to be something that somebody is willing to do, as I
4 understand it.

5 So, therefore, we feel like whoever your executive
6 director is might have a lot of control over being able to
7 gather good people to come and work with him and help him on his
8 board.

9 As we understand the regulations now, they prohibit
10 politics becoming any part of the program; even when you are
11 hiring an employee, you do not inquire as to their political
12 preferences. We feel that you are trying to inject politics
13 into the composition of the local boards.

14 Southwest Missouri is predominately Republican.
15 Southeast Missouri is predominately Democratic. In primaries,
16 Republicans have to vote in Democratic primaries, Democrats have
17 to vote in Republican primaries in the western part of the
18 state, and just the opposite over in the southeastern part of
19 the state, in order to have an input in local government.

20 So if you are going to nail them down with the
21 prerequisite of how they register in the primary is what
22 political hat they are going to wear, we have got people that

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1 are fence-sitters, fence-crossers, that pick the man instead of
2 the party.

3 CHAIRMAN WALLACE: I am from Mississippi.

4 MR. GILMORE: All right.

5 CHAIRMAN WALLACE: I voted in every Republican primary
6 we have ever had, and there ain't been many.

7 MR. GILMORE: We think that, really, the only proposed
8 part of 1607 that would really help would be to put a cap on the
9 number of the board members, because I agree that they can get
10 wheeled in. I realize that Mr. Oxholm's problems in
11 Philadelphia certainly take on a different atmosphere in this
12 large metropolitan area. We have less than 5,000 people in our
13 entire area. So the problems are different. We feel like that
14 the home folks know best how to settle their problems than
15 somebody from the outside.

16 We are primarily judicare as opposed to staff
17 attorneys. We started out staff attorneys, and it didn't work
18 well because the staff attorneys that were coming in were not
19 from that area and did not understand the clients' needs. So we
20 eventually went over to judicare. We pay local attorneys,
21 particularly young ones starting out, on a very reduced basis,
22 and we have had very good luck.

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1 I thank you for the opportunity to be here.

2 CHAIRMAN WALLACE: Let me ask you to stay for a second
3 and see if there are any questions.

4 MR. MENDEZ: Mr. Gilmore, I have a couple of
5 questions. How large is your board now?

6 MR. GILMORE: Twenty.

7 MR. MENDEZ: Twenty?

8 MR. GILMORE: Yes, sir.

9 MR. MENDEZ: You said that over half, or approximately
10 half would be off the board with the 6-year limitation?

11 MR. GILMORE: Yes, sir.

12 MR. MENDEZ: How many years would the average person
13 that you have on there have served?

14 MR. GILMORE: Well, it would depend on how they were
15 functioning. If they were functioning as good board members, an
16 effort would be made to retain them on the board; and if they
17 were not, efforts would be made to replace them.

18 MR. MENDEZ: I understand that, but the question is --

19 MR. GILMORE: What is the average?

20 MR. MENDEZ: What is the average now?

21 MR. GILMORE: Seven.

22 MR. MENDEZ: Seven years?

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1 MR. GILMORE: Yes, sir.

2 MR. MENDEZ: But more than half have seven years?

3 MR. GILMORE: Yes, sir.

4 MR. MENDEZ: Now we are going to get into one area
5 that you probably do not really want to talk about, but I will
6 ask the question anyway. Do you know what ratio of Democrats to
7 Republicans it is on your board?

8 MR. GILMORE: It is about eight -- I am talking about
9 attorneys now -- eight to four.

10 MR. MENDEZ: Eight to four. So that 60 percent ratio
11 really would not hurt you.

12 MR. GILMORE: Well, it would not hurt, the 60 percent,
13 no. But we think that you are trying to inject politics into
14 something that is supposed to be nonpolitical.

15 MR. MENDEZ: Could I ask this question.

16 MR. GILMORE: Surely, sir.

17 MR. MENDEZ: You do believe, however, that you ought
18 to have all aspects of the community represented on your board?

19 MR. GILMORE: We believe that, and we believe that we
20 have that.

21 MR. MENDEZ: I understand that, and I compliment you
22 on that.

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1 MR. GILMORE: Thank you, sir.

2 MR. MENDEZ: If some legal services groups do not have
3 that ratio, do not represent some Republicans or do not
4 represent the Democratic view, don't you think that that ought
5 to be -- you ought to have something on your board that does
6 represent all aspects of the community?

7 MR. GILMORE: You cannot argue with that kind of a
8 situation, because I think then your recipients suffer.

9 CHAIRMAN WALLACE: If you don't, you mean?

10 MR. GILMORE: If you don't, if you don't have the
11 proper representation.

12 MR. MENDEZ: I think that is the reason why -- that's
13 my baby and that is the reason why I asked it.

14 MR. GILMORE: Well, that is the reason why -- every
15 place is different. Every board is going to have different
16 problems. Unfortunately, we can't help this.

17 CHAIRMAN WALLACE: Let me ask you this question. You
18 have got 20 board members and you have got 15 counties in
19 Southeast Missouri?

20 MR. GILMORE: Yes, sir.

21 CHAIRMAN WALLACE: Does every county bar association
22 have a representative on your board?

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1 MR. GILMORE: Some of the southern-most, very few
2 lawyer-populated counties will band together and have an area
3 bar association.

4 CHAIRMAN WALLACE: Okay. But is every association in
5 your area, whether it is a county or multi-county bar, all
6 represented on your board?

7 MR. GILMORE: I would say that maybe with the
8 exception of one or two way out on the western edge.

9 CHAIRMAN WALLACE: Okay. Is that just because they do
10 not want to participate?

11 MR. GILMORE: The bar groups, on an annual basis, we
12 ask each county bar association, to make a recommendation to us
13 of some person that would be willing to serve on our board.

14 CHAIRMAN WALLACE: Okay. I appreciate that.

15 Any other questions for Mr. Gilmore?

16 MR. SMEGAL: Well, yes, I have got a question, a
17 follow-up on Pepe. One of the issues we are dealing with here
18 is politicizing the delivery of legal services. Mr. Gilmore, do
19 you believe that -- it is the assumption that I guess Mr. Mendez
20 is making, that somehow legal representation of the indigent is
21 political. Do you agree with that?

22 MR. MENDEZ: I do not make that assumption.

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1 MR. SMEGAL: Well, no, you have made that assumption.
2 You are suggesting that, politically, we have got to have
3 balanced boards in order for legal services to be properly
4 presented. Is that what we are talking about here, that we
5 cannot have representation of the poor unless we have a
6 political balance?

7 MR. MENDEZ: That is not what I am saying, no.

8 MR. SMEGAL: Well, that is certainly the way it comes
9 out.

10 Now, is that your view, too; that we have got to have
11 every political element in the community on your board in order
12 for that board to properly provide legal services to the poor in
13 your part of the country?

14 MR. VALOIS: Mr. Smegal, could we ask him to choose
15 between that and the alternative?

16 MR. SMEGAL: What is the alternative?

17 MR. VALOIS: Well, does he believe that a one party
18 dominated board and program is a healthy thing?

19 MR. SMEGAL: Well, you can ask him that question. I
20 would like to hear that answer, too. It is my view that legal
21 services are not political, but we are certainly getting to that
22 point here.

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1 MR. GILMORE: That is our thought about it, too, is
2 get politics out of it. We have Democrats, we have Republicans,
3 as far as their civilian life is concerned. When they come and
4 sit on that board, we are worried about serving the clients, the
5 recipients.

6 MR. SMEGAL: What do they bring to your board that
7 will help you in serving clients; not what is their political
8 affiliation.

9 MR. GILMORE: Their knowledge of the legal problems at
10 issue in their area.

11 MR. SMEGAL: Thank you.

12 CHAIRMAN WALLACE: Thank you, Mr. Gilmore. We
13 appreciate it.

14 Mr. Waystack from New Hampshire, I think, is next.

15 Welcome, Mr. Waystack.

16 PRESENTATION OF PHILIP WAYSTACK

17 MR. WAYSTACK: Good morning, Mr. Chairman. Thank you
18 kindly. Good morning, members of the Committee.

19 For the record, my name is Phil Waystack. I am the
20 President of the New Hampshire Bar Association. I am a Director
21 of the New England Bar Association. I am one of the many bar
22 leaders interested in preserving legal services to the poor.

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1 Let me begin by saying that I listened to your
2 introductory remarks, and a couple of questions have popped into
3 my mind right away. But by way of history, I would like you and
4 the other Board members to know that my governing board has
5 reviewed this briefly. Frankly, they said, "Philip, you had
6 better get out to Philadelphia; act, if you can, like a
7 Philadelphia lawyer and try and find out what is behind this.
8 Why this is even being proposed before we start debating the
9 individual points of it."

10 So I guess I am going to begin with you, if I may, Mr.
11 Wallace. I heard you say you are open-minded about it, sir, and
12 I appreciate that. Can you tell me, sir, who proposes this? I
13 know you have some interest in it?

14 CHAIRMAN WALLACE: Oh, I think I went through the
15 whole thing and told you which Board members it came from. The
16 selection process as to who selects it is something that I have
17 discussed with Congressman McCollum's office. I do not
18 certainly say that they have endorsed this or that we think
19 anybody -- anybody thinks this is a final deal.

20 Mr. Houseman?

21 MR. HOUSEMAN: No, no. I just want to hear what you
22 are saying about Congressman McCollum.

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1 CHAIRMAN WALLACE: Okay. I am not trying to commit
2 him to anything in here, but I have talked to his staff. The
3 object of his amendment was to democratize the process, to get
4 general bar membership involved. And I know, in my own state,
5 if you have got a service area of 20 or 25 counties, you do not
6 have representatives from every county bar association. You
7 have a lot of essentially disenfranchised Federal bar members in
8 that service area.

9 I want to fix that. I want to make sure all general
10 bar members are enfranchised somehow. This may not be the best
11 way to do it, but I would sure like to find what is. That is
12 where I am coming from.

13 MR. WAYSTACK: In addition to Congressman McCollum's
14 interest, Mr. Wallace, my understanding is that you personally
15 agree with that, that there are some problems --

16 CHAIRMAN WALLACE: Oh, absolutely, I agree with that.
17 I want to see everybody enfranchised. No question about that.

18 MR. WAYSTACK: I hear Mr. Mendez say that he is
19 concerned about the political issue. I am just wondering if
20 there are --

21 MR. MENDEZ: Excuse me. You did something that Tom
22 did, put words in my mouth that I really did not say. What I

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1 really said was that I wanted to ensure that all aspects of the
2 community were represented.

3 MR. WAYSTACK: But you also talked in terms of
4 political parity, as I understood you, Mr. Mendez.

5 MR. MENDEZ: Well, in terms of political parity, in
6 the way that you ensure that all aspects of the community are
7 represented on the board; and probably the easiest way that you
8 ensure that is to make the division that I have suggested be
9 proposed.

10 MR. WAYSTACK: The only other thing, just so I know
11 who is proposing what here, Mr. Wallace, were there other Board
12 members who also felt strongly about certain provisions within
13 that 1607?

14 CHAIRMAN WALLACE: I told you that some of it came
15 from Mrs. Bernstein. As I told Mr. Smegal, we did not poll the
16 Board before the published the Regulation. That is what Board
17 meetings are for, is to find out what everybody thinks, the
18 government and the sunshine, and all that. We are talking about
19 it, as a Board, for the first time right here.

20 MR. WAYSTACK: That is fair enough.

21 MR. MENDEZ: The other thing, I want to make sure,
22 there are some of these provisions that I am not wedded to at

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1 all.

2 CHAIRMAN WALLACE: Let me tell you, frankly, I feel
3 the same way. But I don't want to get into that just yet.

4 MR. WAYSTACK: I wonder if you could tell me, Mr.
5 Wallace -- I will say that Mr. Shea, who I had the opportunity
6 to meet and visit with yesterday, was kind enough to send me a
7 memorandum, from the Legal Services Corporation, and a copy of
8 what was published in the Federal Register. Now, in one of the
9 paragraphs there, there was some allusion made to the problem,
10 some of the problems that, presumably precipitated this filing.

11 I guess what my concerns -- I can tell you what the
12 concern of my board is, is to find out what some of the problems
13 are. I mean if, in fact, what this Board is going to do is to
14 discuss the problem and come to a resolution. I know you are
15 all interested in effective and economical delivery of legal
16 services.

17 I wonder if you could share with me, Mr. Wallace, what
18 some of the problems have been.

19 CHAIRMAN WALLACE: First of all, I think that is a
20 good question, and I am going to ask Mr. Bayly, by the time we
21 meet in Charleston, to ask our Monitoring Office to try to give
22 us a fairly thorough presentation as to the problems of

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1 representativeness in the programs we have seen.

2 I will tell you what I know, from Mississippi, which
3 is that the programs are the Board members come from particular
4 county bars, from some minority bars, and there are vast areas
5 of the service area where your average run-of-the-mill lawyer
6 does not have any input into who is selected. That seems to me
7 to be contrary to what Mr. McCollum was trying to accomplish.

8 We have a letter in the comments from North Central
9 Texas Legal Services which talks about their four members. One
10 comes from the Black Lawyers Bar, one from the Black Women
11 Lawyers Bar, another from the Hispanic Bar, and only one from
12 the State Bar of Texas. It is delightful to have all that
13 representation, but only one of the four comes from the general
14 bar membership, which the McCollum Amendment was designed to
15 withdraw. The rest of it comes from special interest bars.

16 I consider that to be a problem and a lack of
17 representativeness. And I believe that the amendment was
18 designed to get the general membership of the bar involved in
19 the selection. How widespread that is, I do not know. I have
20 not been in 330 service areas. But I know it is a problem in
21 those places. I am sure the Monitoring Office can try to give
22 us a summary of the situation.

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1 MR. WAYSTACK: Can we just switch to one thing. As I
2 understood the more or less chronology of this thing was, you
3 are going to be considering this again in December. From what I
4 heard you say, it sounds like you are going to take somewhat
5 reasonably quick action on this thing.

6 So what I am wondering, Mr. Wallace is this: The
7 summarization of the monitoring reports that you just referred
8 to Mr. Bayly, would you be good enough to provide me with that,
9 too, so that we can look at the same problems and concerns you
10 are looking at?

11 CHAIRMAN WALLACE: I don't know. Let me put it this
12 way. I have no desire to keep it secret. I do not even know
13 that Mr. Bayly hasn't talked to the Monitoring Office about what
14 and when it can be produced, and I certainly cannot commit him
15 to anything. I do not see any reason why anything we get cannot
16 be made public about the same time that we get it. I do not see
17 any secrets there. Do you, Mr. Bayly?

18 PRESIDENT BAYLY: No, sir, I do not. However, the
19 staff's practice is ordinarily to supply it to the Committee
20 Chairman first and then, with his approval, to circulate it
21 generally.

22 CHAIRMAN WALLACE: Okay. We certainly will do this.

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1 Let me ask you this about fast track, Mr. Waystack.

2 If we don't --

3 MR. WAYSTACK: Well, can we go back --

4 CHAIRMAN WALLACE: No, no. I have got a question for
5 you now. If we adopt this thing in March, whatever it is, if we
6 do come to the conclusion that at least in some circumstances
7 state bars ought to be responsible for the election and
8 selection of board members, if we make that decision in March,
9 can the New Hampshire State Bar be up and running in time for
10 1/1/89?

11 MR. WAYSTACK: I really do not want to engage in
12 conjecture, Mr. Wallace. I will be happy to explain to you what
13 our process is.

14 CHAIRMAN WALLACE: Please do.

15 MR. WAYSTACK: I do not want to engage in conjecture
16 until I am clear on one thing, and that is this. Let's assume
17 -- you are talking about March. Those are your words. I assume
18 we all know about the monitoring and how important it is and the
19 information that it gives us all. I guess my view is, I just
20 want to be clear on this other point about the summary of the
21 monitoring reports that, as I understand it, are going to point
22 out problems that require this change in the Regulation.

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1 I heard what you said, Mr. Bayly, about providing it
2 to the Committee Chair first. But can we get it clear on the
3 record that I, I -- the New Hampshire Bar Association, for the
4 record, 18 Centre Street, C-E-N-T-R-E, New Hampshire 03576,
5 Concord, New Hampshire -- can we get that by February, if you
6 are going to be thinking about this again in March.

7 CHAIRMAN WALLACE: I will certainly give -- what I am
8 telling you is, I am hoping that you can get it by December, so
9 we can all look at this in Charleston.

10 MR. WAYSTACK: Being the fair-minded person I know you
11 to be, Mr. Wallace, will you promise me --

12 MR. EAGLIN: Now you are set up.

13 MR. WAYSTACK: Can you promise me that we will get
14 that before this Committee makes this decision on the issue?

15 CHAIRMAN WALLACE: To the extent that I have any
16 control over how fast the staff works, I certainly believe that
17 before this Committee makes a decision and before the Board
18 makes a decision, that the general public ought to have a chance
19 to review the information on which our decision will be based.

20 I do not have any problem with that. I do not know how fast the
21 Monitoring Office will work and get it in everybody's hands.

22 I will tell you, when it gets into my hands, 24 hours

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1 later the Corporation is going to have a decision from me on
2 whether we ought to go forward on this or whether it needs more
3 work. But it is not my practice to get something and sit on it
4 and keep it secret.

5 MR. WAYSTACK: I am not suggesting that. I just want
6 to be real clear that we get that, that is the New Hampshire Bar
7 gets this before this Board makes a decision.

8 MR. MENDEZ: Mr. Waystack, I will assert to you that
9 you will get this -- you will get whatever materials that I get.
10 Is that fair enough?

11 MR. WAYSTACK: You have always struck me as somewhat
12 of an assertive individual, Mr. Mendez. I am delighted with
13 that, sir.

14 MR. MENDEZ: Reciprocally, I have always thought that
15 you, being a fair-minded individual, as well, I --

16 MR. WAYSTACK: I wouldn't presume that, Mr. Mendez.

17 MR. MENDEZ: -- wonder if you could come in and advise
18 us in December whether or not the New Hampshire Bar can act on
19 this proposal during the next year, assuming that it is acted
20 upon.

21 MR. WAYSTACK: That is a fair deal. I will be happy
22 to do that.

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1 MR. MENDEZ: And Mr. Smegal has advised me -- I have
2 to inject one thing -- Mr. Smegal has requested that I ask you
3 whether or not you are an American citizen.

4 MR. WAYSTACK: Indeed, I am, and proud to be.

5 (Laughter.)

6 MR. SMEGAL: Excuse me. Let me follow up on something
7 that Mr. Wallace asked Mr. Bayly to do, just to make sure we are
8 all operating on the same wave length.

9 In reading the Federal Register, I understand that the
10 proposed changes in Section 1607.3 have several bases, and I see
11 them on Page 3890. If I could summarize them very briefly, Mr.
12 Wallace, they are the concern about the absence of and the
13 indifference to the appointment process, the concern about forum
14 shopping for the most favorable appointment process, and the
15 third one is a self-selecting or rubber stamping of programs'
16 boards of directors.

17 What 1607.3 is intended to replace is a regulation
18 that resulted from a prior board's promulgation following the
19 McCollum bill in 1983. That Section, 1607.3(c), set up a
20 procedure for bar associations to make appointments.

21 Now this material that Mr. Bayly is going to provide
22 to us that demonstrate these concerns that have come to your

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1 attention and others on the Board, I assume will be monitoring
2 -- evidence found in monitoring reports that have occurred
3 subsequent to the McCollum Act or the McCollum legislation and
4 the regulations that were promulgated as a result thereof.

5 In other words, we have a process that has been in
6 effect now for a brief three or four years, where the
7 composition of these boards was modified, the method of
8 selection. I assume that what we are going to see is how that
9 process, the McCollum Amendment -- regulations promulgated in
10 response to the McCollum Amendment, have not worked or are not
11 working in a manner that is suggested here in the Federal
12 Register on Page 38900.

13 Is that right, Mr. Bayly? Is that what you are going
14 to do?

15 PRESIDENT BAYLY: Yes, Mr. Smegal. That is
16 essentially what we plan to do. But my view is that the staff
17 would provide less analysis, and simply reporting the data for
18 the Board to analyze.

19 MR. SMEGAL: The data, right. Thank you.

20 MR. MENDEZ: Now, do you understand the negotiations,
21 what is going on here?

22 MR. WAYSTACK: I think I do.

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1 MR. MENDEZ: Do you accept that raw data as being
2 satisfactory to your needs?

3 MR. WAYSTACK: Raw data is satisfactory to me. The
4 summary is satisfactory. I would like to see both, but I will
5 be happy with raw data. I guess that goes to something further.

6 Now, the monitoring reports, and I assume there may be
7 some summaries, can I assume that this information we are
8 talking about has not, as of yet, been disseminated to this
9 Board? Is that a fair statement?

10 CHAIRMAN WALLACE: Oh, absolutely.

11 MR. WAYSTACK: So what else do you have, in addition
12 to the soon to be coming monitoring reports and in addition to
13 what you have already indicated to me, Mr. Wallace, about
14 Congressman McCollum's concerns that indicates that there is an
15 actual problem right now in these areas?

16 CHAIRMAN WALLACE: We do business by anecdote, the way
17 this whole Administration does, Mr. Waystack.

18 MR. WAYSTACK: Would you share some of that with me,
19 Mr. Wallace?

20 CHAIRMAN WALLACE: I think I shared a couple, from
21 North Central Texas, the problems in Mississippi. I do not get
22 around to 50 states, so I do not know all the anecdotes. I will

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1 tell you this. I think the fact that -- first of all, Mrs.
2 Bernstein's notion that we are violating the law, I don't think
3 you need support. Either you are violating the law or you are
4 not, and the interlocking boards of directorates is something I
5 think we have to address.

6 MR. WAYSTACK: I am not real concerned about her view
7 on that. What I am really interested in is --

8 CHAIRMAN WALLACE: Okay. But that is a pure question
9 of law. The next question about political makeup. I mean Mr.
10 Mendez -- why shouldn't local boards operate under the same
11 constraints that we do in order to assure balance and fairness,
12 whether there is any abuse or not. It just seems to us like a
13 good idea.

14 Selection mechanism is the one that seems to me to be
15 subject to empirical verification or nonverification. That is
16 where I really need evidence, is to show what will work and what
17 won't work and what problems we have now. But the politics and
18 the interlocking directorate, I think, are matters of common
19 sense.

20 Mr. Mendez, that is your proposal, and I will let you
21 speak to it.

22 MR. MENDEZ: Only for a moment. May I, Mr. Waystack?

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1 MR. WAYSTACK: Sure.

2 MR. MENDEZ: Let's see if we can engage in just a
3 little bit of dialogue here. Do you think that it is
4 appropriate to have all portions of the community represented on
5 a board of directors?

6 MR. WAYSTACK: I think -- and I am just looking at
7 what the proposed amendment says. Your words, the words of this
8 Board, the words that changed the provision back on July 23,
9 1973, quote, "With the consistent objective of ensuring that
10 programs will be accountable to the communities serve." That
11 makes perfect sense to me.

12 MR. MENDEZ: All right. Then you will agree that it
13 will agree that it would appropriate to represent all aspects
14 and all philosophies of the community on the board of directors?

15 MR. WAYSTACK: No.

16 MR. MENDEZ: You do not agree with that?

17 MR. WAYSTACK: What I say to you is, to ensure the
18 objective of ensuring that programs will be accountable to the
19 community the serve --

20 MR. MENDEZ: Just answer the question.

21 MR. WAYSTACK: I have an agreement with that, sir.
22 You have gone further than that. You are trying to get me to

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1 say something that goes beyond that. I have no problem with
2 that. I do not need to go beyond that. I do not need to go
3 beyond that.

4 MR. MENDEZ: Let me ask you this question. How do you
5 ensure that that is accomplished?

6 MR. WAYSTACK: You assure that is accomplished, I
7 assume -- and I can only speak for New Hampshire. We are a
8 small group up there and pretty independent minded, and have a
9 real pride in doing what we do in legal services, as I know you
10 are aware, Mr. Mendez.

11 I guess our view is that we do it in such a way that
12 it is a reasonably representative group of people who are truly
13 interested and motivated to seeing that the disadvantaged people
14 in this country are properly represented.

15 MR. MENDEZ: I could not agree with you more.

16 MR. WAYSTACK: What I say to you, further, is we are
17 simple minded up there about some things. I am a little
18 concerned about what Mr. Wallace just said. We do not go around
19 changing things, willy-nilly, unless there is a demonstrated
20 need that something needs to be changed. I guess my concern is
21 that it doesn't make sense -- and you have got 70 letters in
22 those comments that go over each and every thing. We could sit

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1 and debate here all day long, and I know that you have got other
2 business here, so I don't want to do that.

3 But what I want to say to you is that we have a real
4 concern that precedes talking about the individual concerns.
5 And that is, if there is some empirical data, if there is
6 something on which you base your needs to do something with
7 political parity, tell us about it. We will look at it, and I
8 will respond to you -- I will debate with you all day long on
9 it.

10 But right now, until we get to that threshold, that
11 there is some reason, some source that has some credibility,
12 other than someone's thought that we have to change this, I
13 cannot go any further with it, Mr. Mendez. I simply cannot do
14 it, sir.

15 CHAIRMAN WALLACE: Let me say this. We have got at
16 least one and probably two more witnesses to get in in the next
17 20 minutes, and rather than debate something you say you can't
18 debate, let me ask you to move on to the points you really want
19 to get to us, and then we will get on to the next witness.

20 MR. WAYSTACK: Let me just say one last thing, Mr.
21 Mendez. Mr. Mendez, you show me some empirical data, or some
22 reports, or some credible evidence that the political

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1 constitution or the political parity has created a problem as it
2 stands, that needs a suggestion, and I will sit here with you
3 for five hours, if you wish, and go over that, sir. Right now I
4 am not aware that that exists. If you are, it would be helpful
5 for you to let me know.

6 CHAIRMAN WALLACE: Let's get off political parity for
7 a minute and --

8 MR. WAYSTACK: Can I get back with one thing with you?
9 You mentioned Mississippi, I know it is your home state and I am
10 sure you are well aware of what goes on there. What were the
11 specific problems in Mississippi, Mr. Wallace?

12 CHAIRMAN WALLACE: The specific problems is we have
13 got 82 counties and a lot of them aren't represented on the
14 boards of directors.

15 MR. WAYSTACK: Did someone complain to you, sir?

16 CHAIRMAN WALLACE: Absolutely. And if you think I am
17 going to tell you who after the job NOABA just did on Bob Bork,
18 you are out of your minds. I am not dropping any names around
19 here.

20 MR. WAYSTACK: What you are saying, Mr. Wallace, is
21 that some individuals specifically have complained to you, and
22 you do not want to reveal that.

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1 CHAIRMAN WALLACE: Absolutely. Police get warrants on
2 that kind of evidence all the time. You can look at it. We
3 have got 82 county bars and they are not all represented.

4 MR. WAYSTACK: So I assume that you are going to share
5 this information with the rest of the Committee?

6 CHAIRMAN WALLACE: No, you can't. We are not going
7 into Executive Session on this. They are going to believe me or
8 they are not, based on my credibility.

9 MR. WAYSTACK: Is there, other than the concerns these
10 unnamed individuals have told you there is a problem, is there
11 anything else that you rely on for the need for this change?

12 CHAIRMAN WALLACE: Yes. I mean I see, in the
13 information coming to me objecting to it, that people in the
14 field don't like it because they do not want to be controlled by
15 the general membership of the bar association. They want to
16 pick and choose boutique bars for their bars. They say they
17 want to do it. Well, I think the objective of the McCollum
18 Amendment was to stop them.

19 MR. WAYSTACK: You are pointing to the comments that
20 were received through December 20th, I believe.

21 CHAIRMAN WALLACE: Well, it ain't December 20th yet,
22 but yes --

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1 MR. WAYSTACK: November 20th. I stand corrected,
2 November 20th.

3 Was there something specific that you read there that
4 led you to that presumption?

5 CHAIRMAN WALLACE: North Central Texas. I mean I got
6 these two days ago and read them on the plane, but North Central
7 Texas stands out.

8 MR. WAYSTACK: Anything else, Mr. Wallace?

9 CHAIRMAN WALLACE: Sure. I mean I have not gone
10 through and catalogued them, and we are not going to take the
11 morning doing that. But obviously -- I mean these came from
12 some kind of standard form that PAG sent out, and one of the
13 things they want you to do is tell us how much we want the
14 representation of boutique bars.

15 We simply have a difference of opinion here. Mr.
16 McCollum, the McCollum Amendment, wants to be controlled by the
17 general bar, and letter after letter indicates they do not want
18 to be controlled by the general bar. Of course, they object; we
19 are trying to make them do something they do not want to do.
20 Fair enough -- politics is like that.

21 MR. WAYSTACK: Maybe I ought to reread this thing or I
22 read it wrong, or I do not understand it. But it sounds to me

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1 what this is proposing, at least to some extent, is that the
2 general bar be given all the authority to do this, doesn't it?

3 CHAIRMAN WALLACE: That is what we want, that is what
4 the purpose of this amendment is, is to effectuate the control
5 of the general bar membership over local boards. That is what
6 it is for. We do not have that yet, and these amendments --
7 these comments oppose having that. We just differ on what we
8 are trying to do. I do not know that that is empirical.

9 MR. WAYSTACK: Is there something specific that you
10 are aware of that suggests that, other than the North Central
11 Texas letter and the Mississippi State Bar?

12 MR. MENDEZ: Michael and Mr. Waystack, I would prefer,
13 rather than this interrogatories now, that between the two of
14 you after the meeting, there is a little bit of time, that that
15 take place. If there is something specifically that you wish to
16 advise us of now -- I think that would be appropriate and fair.

17 MR. WAYSTACK: Well, I think it is time that Mr.
18 Wallace laid --

19 CHAIRMAN WALLACE: Well, I will not because I have got
20 a board meeting and a plane, and I cannot tell you anything more
21 than I have just said. I have not gone through here and marked
22 down or yellow-tabbed every letter that mentions how much we

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1 would rather have the involvement of minority bars than general
2 interest bars. North Texas jumps out at me, but there are
3 others in here. So I cannot tell you any more today. I haven't
4 yellow-tagged the letters. It's there. Read them yourself.

5 MR. WAYSTACK: Mr. Mendez, I hear what you are saying.
6 I know you want to move on, but let me just ask this, then,
7 because it doesn't sound like Mr. Wallace can meet with me. Is
8 there anything else, other than these comments and the
9 monitoring reports, and the interests and concerns of
10 Congressman McCollum that leads you to suggest this change in
11 the regulations?

12 CHAIRMAN WALLACE: I think I have laid it out. But as
13 Rule whatever it is says, we will duly supplement our answers to
14 interrogatories as more information becomes available. I think
15 I have given you everything I have got, Mr. Waystack.

16 MR. WAYSTACK: So that is all that is up here that we
17 know right now.

18 CHAIRMAN WALLACE: That is all I can think of.

19 MR. WAYSTACK: Can I ask Mr. Valois if he is aware of
20 anything else up there.

21 MR. VALOIS: I came to this Board with, I think, a
22 pretty fair sense of fair play. I will have to wait until all

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1 these kinds of problems are identified to you, Mr. Waystack, as
2 leader of the New Hampshire Bar. Aren't you interested in
3 having the Bar generally represented.

4 MR. WAYSTACK: Well, in the State of New Hampshire, as
5 I am sure you are aware, Mr. Valois, that is the situation.

6 MR. VALOIS: Don't you think everybody else in the
7 country is entitled to the same kind of general representation?

8 MR. WAYSTACK: I think there should be representation
9 which provides the best representation for the community; that
10 is what I think, Mr. Valois.

11 MR. VALOIS: You would not impose your views in New
12 Hampshire on everybody else, would you?

13 MR. WAYSTACK: I have got to go back to a simple
14 thing, which something I heard Mr. Smegal say, which is kind of
15 overused, but it makes sense, sir. We believe, in New
16 Hampshire, that you do not go about changing things that aren't
17 broke, and I really can't believe that this is broke.

18 MR. VALOIS: Well, we are not quite sure that it is
19 all that well, to start with. That is your problem. You don't
20 know where we are coming from.

21 MR. WAYSTACK: I think change for the sake of change
22 doesn't make a lot of sense, Mr. Valois.

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1 MR. VALOIS: Well, I come from a state and one of my
2 fellow board members comes from a state, same state; we are in
3 different parties but we understand how it works in North
4 Carolina. And it doesn't work quite the way it does,
5 apparently, in New Hampshire.

6 MR. WAYSTACK: Are you aware of some problems in North
7 Carolina?

8 MR. VALOIS: Yes. I would like very much to see the
9 general bar have a little bit more influence over the selection
10 of board members as to the local programs.

11 MR. WAYSTACK: Has it created some problems
12 specifically, though, in North Carolina?

13 MR. MENDEZ: Mr. Wallace, Mr. Waystack, we have had
14 these interrogatories; I would suggest that Mr. Valois and Mr.
15 Waystack discuss this privately.

16 MR. WAYSTACK: Do you want to meet with me afterwards.

17 CHAIRMAN WALLACE: We have 10 minutes and I think two
18 witnesses, Mr. Waystack. It ought to be apparent to you -- I
19 hope it is apparent to everybody -- that this Committee has
20 nothing to hide. This Committee, for three years, has debated
21 everything ad infinitum, and that is what we are planning to do
22 here.

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1 You have been in those debates and your predecessors
2 have been in those debates, and I am sure your successors will,
3 as well. So I don't think there need to be any fear that this
4 Committee and this Board is going to regulate on anything less
5 than a full and fair discussion of all the issues.

6 MR. WAYSTACK: That is what I wanted to hear. That's
7 fine.

8 I will say one or two last things, because I know you
9 would like to move on, and that is this. From the standpoint of
10 a state bar association, I will, frankly, tell you that,
11 frankly, the motto of New Hampshire is "Live free or die," and,
12 believe me, the attorneys absolutely -- that is their credo.

13 There is a real concern that what you are doing, as a
14 Federal agency, is imposing restrictions on us, that this would,
15 that you are giving us marching orders. That there are cost
16 factors and control factors. The sense I want to give you -- I
17 didn't come here just to interrogate you; I came here looking
18 for facts.

19 As I said, my board said to me, "Philip, before we are
20 taking marching orders from the LSC or anybody else, we want to
21 know what the problem is that requires it. Get some information
22 down there in Philadelphia that tell us that there is a problem

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1 that makes it necessary for further regulation or regulation on
2 us by the LSC in order to provide effective delivery services,
3 we will look at it." But until such time as we see that
4 evidence, not theoretical thoughts about political parity, not
5 individual concerns out of one letter, but something that
6 suggests that something be done, we will look at it.

7 But until that time -- and I have not heard it yet, I
8 am thankful that Mr. Bayly is going to be providing me with the
9 information from the monitoring reports that may point it out,
10 but we are totally, totally and categorically opposed to this
11 regulation.

12 CHAIRMAN WALLACE: Thank you, Mr. Waystack.

13 There is a Gladys Barnes, I believe, that has notified
14 us that she would like to speak, and I would like to have her
15 come forward for a few minutes.

16 MR. WAYSTACK: Thank you, Mr. Chairman.

17 Mr. Valois, I will be happy to talk with you outside
18 afterwards. Thank you.

19 MR. SMEGAL: Mr. Wallace, while she is getting up
20 here, I heard you say that the 70 or so letters that Mr.
21 Waystack referred to are from boutique bar associations, I would
22 like to --

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1 CHAIRMAN WALLACE: That is not what I said, but that
2 is okay.

3 MR. SMEGAL: Well, that is part of what the record
4 will reflect, but I would like to suggest to you that there are
5 several in here that I consider to be somewhat more credible
6 than the statement you made.

7 For example, Letter Number 6 from the Alabama State
8 Bar suggests that this proposal is insane. Then another little
9 boutique bar, the Grand Rapids Bar Association, which I think is
10 a general bar, that is Letter Number -- in the 50's. Anyway, of
11 those that I looked at in here, Mike, they certainly do not
12 represent to me boutique bar associations. There are many
13 general bars that we have heard from. You are going to hear
14 from the State Bar of California. You are going to hear from
15 the American Bar Association, and they are all going to tell you
16 what the Alabama Bar has told you, this is insane. They are not
17 boutique bars.

18 CHAIRMAN WALLACE: I read the Alabama State Bar letter
19 which says, "Our state bar has had difficulty in getting able
20 and dedicated people to serve on the State Legal Services
21 Corporation Board of Directors and, presently, we must get only
22 eight persons a year."

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1 There are a lot of legal services organizations in
2 Alabama, and if the Alabama State Bar is only providing eight
3 directors a year in the State of Alabama, I can tell you that
4 the general membership of Alabama is not being adequately
5 represented. If the state bar cannot get more people than that,
6 then it is my attitude to tell them, "Go back and try, because
7 the McCollum Amendment wants the general membership of the bar
8 to control it. And if you can't find the people to do it, try
9 harder."

10 Yes, I have read the Alabama State Bar Letter. They
11 are advocating their duty to other bar associations instead of
12 doing what the McCollum Amendment wants them to do, which is to
13 ensure that local boards of directors are controlled by the
14 general membership bar association of the state. Alabama ain't
15 doing its job, if I read this letter right. And what we want to
16 do is regulate it, tell them, "By God, do your job or we will be
17 out of business in Alabama."

18 Now, anyway, Ms. Barnes. I am sorry I delayed you.

19 PRESENTATION OF GLADYS BARNES

20 MS. BARNES: Good morning, Mr. Chairman, Mr.
21 President, and other members of the Board, ladies and gentlemen.

22 I guess it is kind of strange that I am coming right

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1 on -- I am from Gadsden, Alabama, as you have just so nicely, or
2 unnicely, talked about my good friends of the Alabama Bar
3 Association, the Alabama Legal Services Program.

4 However, I must admit that I am not as knowledgeable
5 as probably I would like to be on this subject. I have been
6 quite busy trying to do something else for the clients in the 10
7 states that I have been elected to represent as their Regional
8 Chair Person.

9 But I do bring to you that the clients are very
10 disturbed that if this amendment that is proposed does go into
11 effect, we see -- in fact, I know that I am, and I can certainly
12 say I feel, on behalf of those clients whom I do represent, that
13 we are committed to a long-lasting partnership with the Legal
14 Services Corporation, both at the national level and the field
15 levels.

16 But we, as clients, also know that if we are to get a
17 delivery of service that is responsive to clients' needs, we
18 must have persons sitting on the boards who are responsive to
19 clients. This is a grave concern in the client community.

20 I cannot really talk about the other regions, as I
21 have not been contacted by them, but I can personally talk about
22 the people in Alabama, North Carolina, South Carolina, Georgia,

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1 Florida, Mississippi, Kentucky and Arkansas. Thank you.

2 CHAIRMAN WALLACE: Ms. Barnes, I appreciate you
3 coming. There really isn't anything in here about better client
4 representation on the board. What I put in here is everything
5 the board members ever suggested to me.

6 I want you to know that if your clients' organization
7 has some regulatory changes to suggest that would make sure we
8 get better client representation, that makes client board
9 members more representative of clients they serve, if you have
10 got improvements to recommend, I would really like to hear them,
11 because I would be delighted. I am not asking you to do it now,
12 but go back to your folks at home, and if you come up with any
13 ideas, we would like to lay them on the table, because I think
14 we want to ensure that client representatives are more
15 responsive to client needs.

16 MS. BARNES: I appreciate that. But we are not only
17 concerned that our client representatives be responsive to
18 clients, we are concerned that those other persons who make up
19 the other part of the board are also concerned.

20 CHAIRMAN WALLACE: Thank you. Any other questions for
21 Ms. Barnes?

22 MS. MILLER: I would like to thank Ms. Barnes for

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1 coming. We also -- the clients on the board want your concerns
2 to be implemented any time that you have any.

3 MS. BARNES: Thank you kindly.

4 MR. MENDEZ: I would like to just say that I had
5 occasions to have breakfast with her, and I learned a lot of
6 things. I think there are some of the ideas she gave me over
7 breakfast that we will be able to use, to incorporate in some of
8 these amendments.

9 MS. BARNES: Thank you kindly. I appreciate that.

10 CHAIRMAN WALLACE: Thank you very much.

11 Mr. Houseman, I don't know that we got a request from
12 you to speak, but I know that we got a letter that you are going
13 to be representing PAG and NOABA in this process, and if you
14 have got a few buck for us before we get down to serious
15 language negotiation, or even idea negotiation, we would be
16 pleased to hear from you.

17 PRESENTATION OF ALAN HOUSEMAN

18 MR. HOUSEMAN: Well, I want to take only a minute just
19 to ask, as we look at this evidence, let's not mischaracterize
20 it. The letter from the North Central Texas Legal Services
21 Foundation does not say what you said. What it says is that the
22 Dallas Bar Association appoints the members to the board; that

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1 pursuant to the LSC regulation, the Dallas Bar Association
2 adopts a policy that one nominee is obtained from the State Bar
3 of Texas and the local Black, Black Womens and Hispanic Bar
4 organizations.

5 After review by the Dallas Bar, the nominees -- which
6 is required by your regulation -- are appointed. The rest of
7 the members of the board of that program are appointed by the
8 Dallas Bar Association, which is the general membership bar
9 association in Dallas.

10 There is not one thing in that letter, in fact -- in
11 fact, that suggests that the general membership bar association
12 in Dallas is not appointing these membership on this board and
13 is not in control of this membership. Nothing in that letter
14 says that. You have misread the letter.

15 CHAIRMAN WALLACE: I may have.

16 MR. HOUSEMAN: With regard to the Alabama --

17 CHAIRMAN WALLACE: Do you know how many people, how
18 many general members from the Dallas Bar there are on the board?

19 MR. HOUSEMAN: No. I think it is 15 or 16.

20 CHAIRMAN WALLACE: I would be interested to find out.

21 MR. HOUSEMAN: But we don't know for sure. I didn't
22 have time to go make a phone call.

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1 CHAIRMAN WALLACE: I understand.

2 MR. HOUSEMAN: Secondly, the Alabama State Bar letter,
3 I think you have misread that, as well. What it says is, "Our
4 state bar has had difficulty getting able and dedicated people
5 to serve on the State Legal Services Corporation Board of
6 Directors, and presently we must get only eight persons a year."

7 Now what that is saying to me is that they appoint the
8 board of directors for the Legal Services Corporation of
9 Alabama, which is one of only three or four programs in Alabama;
10 there are not hundreds or 15 or 20. It is a state-wide program
11 in Alabama. They have to appoint eight persons a year to the
12 board, and they have had some difficulty getting eight persons
13 to appoint. But it does not say, and it cannot be characterized
14 the way you tried to characterize it.

15 Now it seems to me, if we are going to talk about this
16 and talk about what changes, if any, need to be done, I think we
17 have to operate on the basis of what is going on and what isn't
18 going on, and not on the basis of what you or Mr. Mendez, or
19 anybody else, thinks is going on.

20 That is what I would urge us to do if we are going to
21 go through this process. It looks to me like you have virtually
22 no empirical evidence about how the new regulations, which

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1 really didn't become effective until 1984, is actually working.
2 That seems to me to be the crux of what we have got to look at.
3 How it is working, what problems does it create or doesn't
4 create. If it creates problems, let's try to address them.

5 I don't think this proposal addresses problems that
6 have been created. This proposal addresses a few views of a few
7 members about what ought to be. There are a lot of things that
8 are wrong with it, obviously. But I want us to start at least
9 by looking at what the problems are, and not by
10 mischaracterizing what the problems are.

11 It is clear to me, just from what you said here, that
12 all of the arguments that are in this preamble are made up out
13 of wholly thought. There is no empirical basis for them and we
14 don't have empirical basis by which to judge these issues.

15 I think you will find, when you look at the comments
16 and when you look at the facts, that the general bars are
17 controlling the appointments of the majority of the boards of
18 these programs.

19 Now, finally, I want to make two more points. I have
20 no idea what your conversations with Mr. McCollum have been.
21 This has always been his territory. But I have read every
22 single word he has said on this subject in public, and he never

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1 once mentioned the state bars. What he said was that legal
2 services should be controlled by local bar associations.

3 I am in favor of 50 percent of the governing bodies
4 being elected by local bar associations, because we would have a
5 broad section of the bar represented, because local bar
6 associations do not control these organizations.

7 I think the issue is, is the McCollum Amendment put
8 into the appropriation rider in 1983, effective by regulations
9 in 1984, take some time for programs to put them into effect; is
10 that McCollum Amendment working. Are local bar associations
11 appointing members to the board, and are there practical or real
12 problems they are facing that this would address. I think that
13 is where we have to start.

14 Finally, the compensation issue. I heard Mrs.
15 Bernstein argue the point. I would urge you, before you change
16 this, to read carefully the legislative history. The
17 legislative history, at no point, suggests that the word "a
18 recipient" to be "any recipient." It suggests, on the contrary,
19 that the word "a recipient" is to be "the recipient." The
20 legislative history is clear on that point, where it has
21 addressed the point.

22 Secondly, the Board of this Corporation, in 1976, in

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1 its Regulations Committee, headed by Bob Cutac, Republican,
2 former aide to a Republican Senator, reviewed this issue in
3 great depth; in fact, got comments from members of Congress on
4 the issue. There was no question that the word "a" was to mean
5 "the" and not "any." This issue was reviewed in the 1977
6 reauthorization process in detail. You will see there, when you
7 look at it, that the word "a" was to mean "the" and not "any."

8 There is, therefore, absolutely no legislative history
9 basis for this interpretation. It is inconsistent with the
10 interpretation that was adopted by the Board closest to the
11 Congressional process in 1976. It was reviewed in the last
12 authorization process in 1977 and reviewed favorably, and has
13 operated effectively.

14 On the law of this issue, on that issue, I do not
15 think you have a case. But on the policies behind all of these,
16 I think this needs a great deal of discussion, aside from any
17 legal conclusions you or I, or anybody else, may draw.

18 CHAIRMAN WALLACE: Let me ask you as a matter of
19 principle, in Hines County, whenever the bar association elects
20 directors, committees, officers, what have you, they send me a
21 ballot in the mail and I look at it and I look them up in the
22 book to see who spent the least time in Ole Miss, and then I

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1 vote for them.

2 Now, as a matter of principle, would you have any
3 objection if the bar associations in the Central Mississippi
4 Legal Services area did exactly the same thing? Sent out post
5 cards -- I am not talking about logistics and cost and all the
6 rest of it, but as a matter of principle, would your clients
7 have any objection to the general membership of the bar in the
8 local service area directly electing the boards of directors of
9 the Legal Services Corporation?

10 MR. HOUSEMAN: I cannot answer that question. I do
11 not know enough about the different local circumstances to make
12 a general answer to that kind of question.

13 It seems to me that the way to resolve it is the way
14 we have got it resolved now; you leave it up to the local bar
15 association, whatever its mechanisms are, to make the
16 appointments and to utilize whatever processes it uses. It
17 strikes me as the most grievous form of macro-management for
18 this Corporation to tell local or state bar associations how
19 they have to make selections, how they have to run their
20 associations when they are making appointments.

21 CHAIRMAN WALLACE: Now you have mischaracterized the
22 way we do it now. We leave it up to local programs, through

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1 their executive directors and their boards of directors, to pick
2 out groups of county bar associations to secure representatives
3 on boards.

4 You don't have every bar association in the service
5 area necessarily represented on the board. Some people, in
6 fact, -- those bar associations -- don't vote. Maybe they like
7 it that way. But you are not leaving it up to the local bar
8 associations; you are leaving it up to the local program how
9 they put their representation together.

10 MR. HOUSEMAN: I don't know on what basis you can draw
11 a conclusion from what you have or know that the local program
12 directors are not, first, going to all the local bar
13 associations in an area and talking with them about the
14 appointment process and working out a procedure for that
15 appointment process to work, which is my understanding of the
16 way it is done. It is not a pick and choose situation, as you
17 describe. I think the evidence, when you get it in, will
18 reflect that.

19 I don't think that is going on, and I don't think you
20 have any evidence that it is going on, and I would like to see
21 it if you do.

22 CHAIRMAN WALLACE: Okay. I will simply state that I

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1 do not think it is presumptuous in order to attempt to find a
2 mechanism that, in a cheap and effective way, approximates what
3 I have just described, which is direct election by the general
4 membership of the local bar. Maybe that cannot be done,
5 although I tell you that is my own preference for how things
6 ought to be done.

7 I do not think there is anything inconsistent with
8 that principle and the principles that Mr. McCollum has stated.
9 The problem is how best are those principles effectuated if you
10 cannot directly elect every board member in the country. That
11 is, to my way of thinking, what this regulation is about.

12 How do we maximize general membership bar control over
13 the board of directors. If this isn't the way to maximize it,
14 this board member is open to suggestions for better ways to
15 maximize it. I am not satisfied with the anecdotal reports I
16 have on the system as it works now.

17 Mr. Valois?

18 MR. VALOIS: I guess what I have difficulty following,
19 from what Alan says, and that is -- Alan, I do not mean to
20 misrepresent what you are implying, but you are giving me the
21 impression there is something bad with a more representative way
22 of having representation on those boards.

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1 MR. HOUSEMAN: I never said that --

2 MR. VALOIS: I know you didn't say it.

3 MR. HOUSEMAN: -- and I never implied it.

4 MR. VALOIS: Well, but you know, you start from the
5 premise that we have to demonstrate, somehow, to you or to
6 somebody that this notion --

7 MR. HOUSEMAN: That is why you have to demonstrate in
8 order to change the regulation, yes.

9 MR. VALOIS: -- that the notion of a broader-based
10 representation is somehow suspect.

11 MR. HOUSEMAN: You have to demonstrate, it seems to
12 me, that the current system is not working.

13 MR. VALOIS: I do not think that is the case at all.

14 MR. HOUSEMAN: That it is not --

15 CHAIRMAN WALLACE: We have to demonstrate that we are
16 not being arbitrary and capricious. Maybe I am arbitrary and
17 capricious.

18 MR. VALOIS: I don't think we have to demonstrate any
19 such thing, as far as I can tell. Is there some statute that
20 says that?

21 MR. HOUSEMAN: I am not sure what you are asking me.

22 MR. VALOIS: But what I am saying to you is that I

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1 hear you saying that Mr. Waystack, who is apparently getting
2 more education outside the room than he is in, because he's not
3 in here, and hasn't been for the last 25 minutes, -- what I am
4 hearing you all say is there is something wrong, something bad
5 wrong with having greater representation on these boards.

6 MR. HOUSEMAN: No. I do not think that is the issue
7 at all. If you are hearing that, you are not hearing it from
8 me. You haven't heard me say that so far. What I am saying is,
9 the mechanisms that we have today ought to be looked at, to make
10 sure that they are not working, what problems there are with
11 them, to assure that goal. I am not suggesting that. I didn't
12 hear any of my clients suggest it. I have not read a letter
13 that suggests it yet.

14 MR. VALOIS: You have got a premise in --

15 MR. HOUSEMAN: Your premise that the way it is working
16 now is not generally representative. I disagree with that. I
17 don't think you have empirical basis to make that statement.
18 And if you do, I would like to see it. I think they are
19 represented.

20 CHAIRMAN WALLACE: Mr. Smegal.

21 MR. SMEGAL: I was just going to say and Alan has said
22 part of it. The premise, Bob, that you seem to have and,

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1 obviously, Mike has also, is that this process that has been
2 published in the Federal Register will somehow provide a broad
3 basis that is not presently there.

4 There are two assumptions in there: one, that we
5 presently do not have a broad basis; and, two, that this
6 mechanism will provide a broad basis. What you have got is 75
7 or 80 letters so far, and I suspect you will have several
8 hundred before this process is over, that will tell you that
9 that isn't what is going to happen; that concentrating the
10 appointment power in the process -- why the process that is set
11 out here will not produce the broad basis that you think is
12 presently lacking.

13 I happen to believe, and I believe Alan Houseman is
14 telling you, and everyone else is going to tell you that there
15 is a broad process right now. It does work. It has been
16 working for several years. I will be very surprised if Mr.
17 Bayly is able to provide me with raw data that is at all
18 significant.

19 You have a process here, you are going to throw out a
20 system which has been in effect, and the bars have been trying
21 to work with it now for several years and trying very hard. I
22 have been through the process with some of the local bars in

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1 California.

2 The State Bar in California makes over 80
3 appointments. I have been on that board and, as I told you last
4 night, I have abstained from the selection process, but the
5 Board of Governors in the State of California, for the last
6 three or four years, is making about 80 appointments.

7 That process is there. It provides, in my view, a
8 broad base. What you are suggesting is, as you have indicated,
9 you are making two assumptions: one, it isn't working; and,
10 two, this is going to work. What you are going to be told is
11 exactly the opposite by essentially everyone that will respond
12 that, one, what they are doing now is working.

13 Broad base bar associations will tell you that. The
14 Alabama State Bar says, "Don't change it. We do not think we
15 can do it more effectively." The Grand Rapids Bar President's
16 letter is in here, Letter 53. He says, "We are doing it
17 effectively. Why would you possibly want to transfer this
18 responsibility to Lansing?" You are going to hear that; you are
19 going to hear it from everybody.

20 My suggestion and one that, as I say, is going to be
21 uniformly presented is, there is a system, it is working. The
22 system you proposed is not thought out. It is not based on

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1 empirical data, and there isn't a basis for going to this kind
2 of system to obtain board representation.

3 You want to cut the number -- Mike keeps saying, "I've
4 got 82 counties in Mississippi, and we cannot have a
5 representative board." Well, if you reduce the number on that
6 board, you obviously are not going to have a representative
7 board. You get to 19, go to 12.

8 CHAIRMAN WALLACE: You will if they are elected by the
9 state bar, because everybody votes to the state bar. Everyone
10 enfranchisized, though rather more distantly.

11 MR. HOUSEMAN: Mike, I do not understand the voting by
12 the state bar. Most state bars do not elect committees.

13 MR. VALOIS: Let me respond to something Mr. Smegal
14 said. Mr. Smegal, my dear friend, has made some assumptions.
15 In the first place, this is not my proposal. I saw it at or
16 about the same time you did, I suspect.

17 I do not have a closed mind on the subject, but I am
18 sort of accusing a lot of people I have heard so far of having a
19 closed mind. They use the phrase over and over again, "If it
20 ain't broke, don't fix it," and all sorts of things. Louis XIV
21 thought the same thing, incidently. There is nothing wrong with
22 a broader representative way of doing something, even if

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1 everything you said, Thomas, is correct. So let's all keep an
2 open mind.

3 MR. SMEGAL: Bob, I agree with everything you just
4 said, by the way.

5 MR. HOUSEMAN: If you are going to look at that
6 standard, whether it should be the standard or not, let's look
7 at it. In many states, the state bar, with an election process
8 they are not going to follow, is not going to be more broadly
9 represented. Most state bars do not hold an election process to
10 elect committees. I do not think there are any that do.

11 It is going to cost a lot of money. As Mr. Cominsky
12 said in his letter about Michigan, you are going to have to poll
13 27,000 lawyers in Michigan. It is going to cost the state bar a
14 lot of money that they don't normally do.

15 CHAIRMAN WALLACE: Mr. Houseman, we have now gone 15
16 minutes over, and I know we are going to have a chance to work
17 together.

18 MR. HOUSEMAN: I am through. Thank you. I just
19 wanted to make a few points.

20 CHAIRMAN WALLACE: Thank you.

21 Let me ask if there is anybody from the Philadelphia
22 area, because I know there are a lot of folks that come to our

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1 meetings wherever they are; but before we adjourn, I would like
2 to know if there is any comments from folks that do not come to
3 all of our meetings, that you would like to make on this
4 regulation. And, if not, we will adjourn and let the Board have
5 its meeting.

6 Any comments from the general public?

7 (No response.)

8 Thank you all. We will be back at this some more.

9 With that, this Committee stands adjourned. Hearing no dissent,
10 so ordered.

11 (Whereupon, at 11:20 a.m., the Committee meeting was
12 adjourned.)

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