



LEGAL SERVICES CORPORATION

45 CFR Part 1614

Private Attorney Involvement

AGENCY: Legal Services Corporation.

ACTION: Revised notice of rulemaking workshop and request for comments and expressions of interest in participating in the rulemaking workshop.

SUMMARY: The Legal Services Corporation (LSC) is conducting two Rulemaking Workshops (Workshops), as noticed at [78 FR 27339](#) (May 10, 2013), and is requesting public comments on revising LSC's Private Attorney Involvement (PAI) rule to respond to Recommendation 2 of LSC's Pro Bono Task Force (PBTF) Report. The discussions in the Workshops and the other comments received will be considered in connection with rulemaking by LSC.

On July 23, 2013, LSC hosted the first of the two Workshops. LSC solicits expression of interest in participating as a panelist in the second Workshop on September 17, 2013, from the recipient community, the organized bar, pro bono organizations, and other interested parties. In preparation for that workshop, LSC is publishing the additional questions below. Additionally, LSC is extending the deadline for comments and expressions of interest for that Workshop. The new deadline is August 28 at 5:30 p.m. Eastern Daylight Time. The final deadline for all comments in this stage of rulemaking remains October 17, 2013, at 5:30 p.m. Eastern Daylight Time.

DATES: Three deadlines are set out in this notice. Submissions that do not follow the directions in this notice, or that are received after a deadline has passed, may not be considered by LSC, in its discretion.

(1) The deadline of August 20, 2013, in the May 10, 2013, Notice is hereby extended to August 28, 2013. Expressions of interest in participating as a panelist in the second Workshop must be received by 5:30 p.m. EDT on August 28, 2013. Written comments for consideration at the second Workshop regarding (a) the revision of LSC's PAI rule, 45 CFR part 1614, to respond to Recommendation 2 of the PBTF Report, or (b) additions, deletions, or modifications to the Topics for Discussion in the Workshop, including relevant alternatives, must be received by the same deadline of 5:30 p.m. EDT on August 28, 2013.

(2) Non-panelist public participants for the second Workshop must register with LSC by 5:30 p.m. EDT on September 6.

(3) All written comments on revising the PAI rule, 45 CFR part 1614, in response to Recommendation 2 of the PBTF Report must be received by 5:30 p.m. EDT on October 17, 2013.

ADDRESSES: Written materials, expressions of interest, and registration for the workshops must be submitted to Mark Freedman, Senior Assistant General Counsel, Legal Services Corporation, 3333 K Street, NW, Washington, DC 20007; 202-337-6519 (fax); or pairulemaking@lsc.gov. Electronic submissions are preferred via email with attachments in Acrobat PDF format.

FOR FURTHER INFORMATION CONTACT: Mark Freedman, Senior Assistant General Counsel, Legal Services Corporation, 3333 K Street, NW, Washington, DC 20007; (202) 295-1623 (phone); 202-337-6519 (fax); or pairulemaking@lsc.gov.

SUPPLEMENTARY INFORMATION:

I. Background Information

On January 26, 2013, the LSC Board of Directors (LSC Board) voted to authorize LSC to initiate rulemaking to consider revisions to 45 CFR part 1614—Private Attorney Involvement (PAI) to respond to Recommendation 2 of the LSC Pro Bono Task Force (PBTF) Report, available at: <http://bit.ly/LSCPBTf-Report>. Part 1614 is designed to ensure that recipients of Legal Services Corporation funds involve private attorneys in the delivery of legal assistance to eligible clients. 45 CFR 1614.1. With certain exceptions, a recipient of LSC funding is required to devote an amount equal to at least 12-1/2% of the recipient’s LSC annualized basic field award to the involvement of private attorneys in the delivery of legal services to eligible clients. *Id.*

Recommendation 2 of the PBTF Report suggests LSC should reexamine the regulation in three areas, which are the three Topics for Discussion for this rulemaking:

Topic 1: Resources spent supervising and training law students, law graduates, deferred associates, and others should be counted toward grantees’ PAI obligations, especially in “incubator” initiatives;

Topic 2: Grantees should be allowed to spend PAI resources to enhance their screening, advice, and referral programs that often attract pro bono volunteers while serving the needs of low-income clients; and

Topic 3: LSC should reexamine the rule that mandates adherence to LSC grantee case handling requirements including that matters be accepted as grantee cases in order for programs to count toward PAI requirements.

On April 16, 2013, the LSC Board voted to convene two Workshops in connection with the rulemaking. On May 10, 2013, LSC published a notice in the Federal Register at 78 FR 27339 (May 10, 2013) regarding the Workshops and seeking comments on the potential rulemaking. <https://federalregister.gov/a/2013-11071>. The first Workshop was held in connection with LSC's Board meeting in Denver, Colorado on July 23, 2013. The second Workshop will be held on September 17, 2013, at the F. William McCalpin Conference Center, Legal Services Corporation Headquarters, 3333 K Street, NW, Washington, DC 20007, from 1:30 p.m.–4:30 p.m. EDT. Participants are invited to attend in person, via webinar, or telephonically. Information about how to participate, materials regarding this rulemaking, and materials from the first Workshop are available on LSC's website at <http://bit.ly/PAIrulemakingdetails>.

II. Nature of the Workshops

Rulemaking workshops enable LSC to meet with interested parties to discuss, but not negotiate, LSC rules and regulations. The Workshops for the PAI rule are meetings at which the panelists and participants hold open discussions to share ideas regarding how to revise the PAI rule in a manner responsive to the Recommendation 2 of LSC's Pro Bono Task Force Report.

III. Public Participation: Panelists and Open Comment

LSC is inviting expressions of interest from the public to participate in the second Workshop as a panelist. Expressions of interest in participating as a panelist should be

submitted, in writing, to LSC at the address above before the stated deadline. LSC will select panelists shortly thereafter and will inform all those who expressed interest whether or not they have been selected.

Expressions of interest must include:

(1) a brief outline of the key points that you would like to make as they relate to the three topics and items of interest identified in the May 10, 2013, Notice and the additional questions identified in this Notice;

(2) a summary of your qualifications; and

(3) a completed checklist of the topics and items that you will address, including the additional questions identified below. The checklist will be available at the Workshop website at: <http://bit.ly/PAIrulemakingdetails>.

The Workshop will be open to public observation, and portions of the Workshop will be open for public comment from in-person, webinar, and telephone participants (who must register for the webinar to comment via the telephone). Participants other than selected panelists must register with LSC before 5:30 p.m. EST on September 6, 2013, to ensure that sufficient arrangements can be made for their participation. Panelists and in-person participants are expected to cover their own expenses (travel, lodging, etc.). LSC may consider providing financial assistance to a panelist for whom travel costs would represent a significant hardship and barrier to participation. Any such person should so note in his/her expression of interest for LSC's consideration.

Beginning with the May 10, 2013, Notice, LSC has an open comment period through October 17, 2013, regarding revisions to 45 CFR part 1614 to respond to Recommendation 2 of the PBTf Report. LSC welcomes written comments during the

comment period and will consider the comments received in the rulemaking process. Written comments received prior to the Workshop may be addressed in the Workshop. Written comments must be submitted as per the directions above and the deadlines indicated.

IV. Topics for Discussion

The May 10, 2013, Notice identified the three topics and items for discussion for the Workshops and written comments. Each topic is taken directly from the three suggestions in Recommendation 2 of the PBTF Report stated above. Members of the public are welcome to recommend additions, deletions, or modifications to these Topics for Discussion, including relevant alternatives, for LSC's consideration through written comments submitted prior to the second Workshop.

The May 10, 2013, Notice, topics, items for discussion, additional background information on each of these topics, and materials from the first Workshop are located at the PAI Workshops web page at <http://bit.ly/PAIrulemakingdetails>.

V. Additional Questions

The May 10, 2013, Notice contained the three Topics for Discussion and a number of specific items for each topic. The following questions seek specific proposals to address in greater detail the issues raised by those topics and items. LSC asks for comments that address these specific questions with concrete examples or proposals. LSC asks that panelists identify in the expressions of interest which of these questions they will address, and to submit as comments concrete examples or proposals for discussion. The original topics and items are also on the agenda, but these questions are meant to focus the discussion.

A. Scope of Part 1614.

Topics 1 and 2 both raise questions regarding the definition of a private attorney for purposes of Part 1614. These topics also raise questions about the purpose of the Part 1614 rule and what work meets the Part 1614 requirements. The definition of a private attorney combines elements of the private attorney definition in 45 CFR 1614.1(d), the staff attorney definition in 45 CFR 1600.1, and the attorney definition in 45 CFR 1600.1. Based on the regulations and LSC's interpretation and application of them, the current definition for private attorney can be paraphrased as follows:

A private attorney is an attorney who:

1. provides legal assistance to eligible clients; and
2. is authorized to practice law in the jurisdiction where assistance is rendered; and
3. earns one half or less of her annual professional income from either:
 - a. a grant from LSC; or
 - b. from a recipient, subrecipient, grantee, or contractor, including:
 - i. an LSC basic field program; or
 - ii. a subrecipient of an LSC recipient that is a staff-model legal services program primarily providing civil legal assistance to low-income persons; and
 - receives an LSC subgrant under 45 CFR part 1627;
 - or
 - receives a Part 1614 subgrant using non-LSC funds.

This definition is based on the attorney’s income and does not consider the hours worked or the nature of the attorney’s legal practice (for-profit, non-profit, public interest, government, etc.). The following questions involve the scope of this definition for the primary Part 1614 activities that constitute “involvement of private attorneys” in the delivery of legal services to eligible clients. These questions do not address the scope of related work, such as screening and administrative support, that may involve non-attorneys in secondary Part 1614 functions.

Topic 1:

1. Please provide specific suggestions for definitions, limits, or guidelines relating to the potential addition of law students, pre-admission law graduates, or paralegals to the scope of Part 1614 activities.
2. Are there any other categories of non-lawyers whose work should be considered for inclusion in Part 1614?
3. If you recommend changing the definition of a private attorney, then please provide specific recommendations addressing the scope of the definition and how the proposed definition relates to the purpose of the rule.
4. Please provide specific suggestions relating to the potential inclusion in Part 1614 of underemployed attorneys receiving reduced fees (e.g., in “incubator projects”) that may be their primary professional income.
5. Please provide specific suggestions relating to the potential inclusion in Part 1614 of attorneys who are not authorized to practice law in the

jurisdiction of the LSC recipient but who may provide legal information or other Part 1614 services if permitted under local bar rules.

Topic 2:

6. Should Part 1614 include the use of non-LSC funds as a subgrant to provide support to attorneys working at a staff-attorney model legal aid program that receives no LSC funds? This question specifically addresses the situation in Advisory Opinion 2009-1004. Please identify how involving attorneys at non-LSC, staff-attorney model legal aid programs relates to the purposes of Part 1614.

B. Tracking and Accounting for Part 1614 Work

Topics 2 and 3 both raise questions about how Part 1614 work should be tracked and accounted for. The Pro Bono Task Force and many panelists at the first workshop suggested that the LSC definition of cases and the related case management system requirements are not well suited for Part 1614.

1. What criteria and methods should LSC recipients use to identify and track Part 1614 services to provide sufficient information for reporting and accountability purposes about attempts to place eligible clients with private attorneys, or others, and the outcome of those efforts?
2. Please identify what criteria should apply to referral placement organizations, such as bar association programs, for them to qualify for Part 1614.

3. Please identify how LSC recipients can account for and track PAI services while not creating conflicts for the recipient regarding future representation of clients, consistent with local bar rules.

C. Support for Unscreened Work of Private Attorney Clinics

Topic 3 raises the question of LSC recipients providing support to clinics hosted by other organizations (or co-sponsored) that involve private attorneys in providing legal assistance without screening for LSC eligibility. Part 1614 eligibility for these situations involves both tracking issues (section B above) and subsidization issues. These questions specifically address Advisory Opinion 2008-1001.

1. Should LSC permit LSC recipients to obtain some credit under Part 1614 for support for these clinics if they do not screen for LSC eligibility and the clinics may provide services to both eligible and ineligible clients? Please provide specifics about screening concerns and methods to address them.
2. Should eligibility screening in these clinics for Part 1614 be the same as regular intake screening for LSC recipients or different? If different, then please identify methods or criteria for screening.
3. Please identify methods or criteria for LSC to ensure that LSC recipients providing support to these clinics, if permitted, are not improperly subsidizing either services to ineligible individuals or impermissible activities.

4. Please identify methods or criteria to distinguish between permissible activities supporting other entities and attorneys, such as general trainings, and impermissible subsidization.

VI. Format of the September Workshop

The Workshop will include a panel discussion of the Topics for Discussion and related questions and items identified in the May 10, 2013, Notice and this Notice.

Panelists will be selected to represent a diversity of opinions and perspectives.

In addition to the panel, LSC encourages observation and participation by all interested individuals and organizations. The meeting agenda will include opportunities for individuals who are not members of the panel to provide public comments in person, by webinar, or via telephone (webinar registration is required to comment by telephone). LSC plans to transcribe the meetings and make the webinar recording available on its website.

By September 12, 2013, LSC will post the final agenda for the September Workshop on the PAI Workshops web page at <http://bit.ly/PAIrulemakingdetails>.

VII. Important Notes

Information received in response to this Notice of Rulemaking Workshops and Request for Expressions of Interest in Participation in the Rulemaking Workshops may be published or summarized by LSC without acknowledgement of, or permission from, you or your organization. Furthermore, your responses may be releasable to the public under the Freedom of Information Act (FOIA), 42 U.S.C. 2996d, and the LSC FOIA regulation, 45 CFR part 1619. LSC, at its discretion, may request individual commenters to elaborate on information in their written comments.

Dated: August 6, 2013

Atitaya C. Rok
Staff Attorney

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