Congress of the United States Washington, DC 20515

January 19, 2021

The Honorable Matt Cartwright Chairman Subcommittee on Commerce, Justice, Science and Related Agencies Committee on Appropriations H-310, The Capitol U.S. House of Representatives Washington, DC 201515 The Honorable Robert Aderholt Ranking Member Subcommittee on Commerce, Justice, Science and Related Agencies Committee on Appropriations 1016 Longworth House Office Building U.S. House of Representatives Washington, DC 201515

Dear Chairman Cartwright and Ranking Member Aderholt:

We write to you as co-chairs of the Congressional Access to Legal Aid Caucus in support of the Legal Services Corporation's (LSC) request for additional COVID supplemental funding in the amount of \$350 – \$500 million to address the short-term and long-term consequences of the pandemic on low-income Americans. In March 2020, Congress appropriated \$50 million to LSC in the CARES Act to respond to civil legal needs arising out of the pandemic. LSC granted out these funds in three weeks via two separate grant programs. Ten months later, while the extent of the pandemic's impact on the demand for civil legal services remains to be seen, a variety of factors strongly suggest that the increase in the need for legal services and for federal funding to meet those needs will be substantial.

First, millions of Americans sank into poverty resulting in more people qualified for LSC's services. The economic damage associated with the pandemic will likely keep more people in poverty for a longer period. Second, the civil legal needs of low-income Americans have surged, especially in areas served by LSC grantees, including evictions, unemployment, domestic violence, and health care. Third, the state, local, and private financial resources previously available to LSC grantees' services have fallen, even as the needs for those services have increased.

Since March 2020, LSC has collected information about the impact of the pandemic on its grantee operations and the increased number of people needing assistance. For example, in August, LSC issued an analysis of the economic impact of the pandemic on low-income individuals and families. They estimate that more than 5.13 million U.S. households who qualify for LSC-funded services, are at risk of eviction. To address the increased demand for legal services to assist low-income American at risk of eviction, their grantees would need an additional \$2.5 billion.

LSC's 2017 Justice Gap study showed that 86% of the civil legal problems of low-income Americans received no or inadequate assistance. It has become clear that COVID-19 will severely aggravate the justice gap. The effects of the pandemic continue to ravage the U.S. economy and have already caused tens of millions of American workers to be unemployed and

unable to pay for housing and other expenses. The U.S. has not seen unemployment numbers such as these since the Great Depression.

The COVID-19 pandemic continues to disrupt the lives and financial security of people across the country. According to a September 2020 study from the Pew Research Center, half of the adults who lost jobs due to COVID-19 are still unemployed. Those facing the highest rates of financial hardship include lower-income households and Black and Hispanic households. Approximately one-in-four adults have struggled to pay their bills since the onset of COVID-19, with rates differing widely across racial, ethnic, and socioeconomic lines. Forty-six percent of lower-income adults reported having trouble paying bills, and 32% reported having problems paying their rent or mortgage. Lower-income adults also reported high rates of using money from savings and retirement accounts (44%), borrowing money from family/friends (35%), and receiving food from a food bank (35%).

LSC grantees are on the frontlines in assisting people during the pandemic. Based on a recent survey of all LSC grantees, the overwhelming majority reported an increase of requests for assistance. Ninety-four percent of grantees said that they are seeing a spike in newly eligible clients. On average, grantees are seeing a 18% increase in the number of eligible clients due to the pandemic. The top three case types that grantees see an increase in request for assistance are:

- Evictions (95% of grantees indicated an increase): including, but not limited to illegal lockouts, utility shutoffs, and foreclosures.
- **Income Maintenance** (88%): including, but not limited to issues with stimulus checks, access to unemployment benefits, and navigating furloughs.
- **Domestic Violence** (86%): has doubled during the pandemic, including, but not limited to Emergency Orders of Protection, virtual hearings, and accessing domestic violence shelters.

Despite monetary assistance and the extension of eviction moratoria to prevent mass evictions, evictions have not stopped during the pandemic. In fact, eviction cases account for nearly 40% of all housing cases LSC grantees handled in 2020, nearly double the year before. In South Carolina, for example, the grantee's caseload of private landlord/tenant evictions in the latter half of 2020 more than doubled compared to the first half of the year. Iowa Legal Aid saw a 200% increase in eviction cases in 2020 over 2019's filings.

While the \$50 million appropriated to LSC under the CARES Act helped grantees address some of the increased demand for LSC grantee services, it is not enough to meet the short, medium, and long-term COVID-19 demand for legal services. The overwhelming majority of LSC grantees (78%) report that the funding to respond to COVID-19-related issues is insufficient to meet requests for assistance. The top three reasons identified are: an increase in community need, the need to hire more staff, and an anticipated decrease in state and private funding. The combination puts an enormous strain on many grantee budgets.

The total amount requested will be specifically designated to expand grantee capacity to respond to the devastating impact of COVID-19. With a significant investment, LSC grantees can continue their stellar work serving clients remotely and enhance their efforts to improve their organizational infrastructure to better serve clients. One of the success stories during the pandemic has been the ability of some grantees to use CARES Act funds to provide full representation to clients, and LSC would like to use some of the funds to create a competitive grant program for grantees to provide extended representation in housing and eviction cases.

Before the Coronavirus epidemic, more than 57.3 million Americans, or 17.8% of the U.S. population, qualified for legal assistance from LSC-funded programs. In LSC's Justice Gap Report, 86% of the civil legal problems of low-income Americans receive no assistance. The "justice gap," the difference between the civil legal needs of low-income Americans and the resources available to meet those needs, will only increase unless Congress acts to provide additional supplemental funds.

We are committed to ensuring that the rule of law and access to the justice system remain the cornerstones of our country. We hope you will ensure that LSC receives the additional supplemental funding critical to providing legal assistance to eligible people as the novel Coronavirus fallout expands.

Sincerely,

Mary Gay Scanlon

Member of Congress

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Brian Fitzpatrick

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