

GARDEN STATE BAR ASSOCIATION RESOLUTION
FOR NEW JERSEY TO PROVIDE
ADDITIONAL SUPPORT (\$17 MILLION)
TO NEW JERSEY LEGAL SERVICES

WHEREAS, Legal Services of New Jersey (LSNJ) is the state's system for providing free legal assistance in civil cases to low-income New Jerseyans; and

WHEREAS, LSNJ consists of a web of seven nonprofit corporations, serving all 21 counties; and

WHEREAS, LSNJ faces a financial challenge of historic proportions, having lost more than half its core funding, \$37 million out of \$73 million, as a result of the dramatic decline of the IOLTA program; and

WHEREAS, because the Legislature and the Governor have provided substantial funding through an increased annual and two supplemental appropriations last year, and because of substantial efforts LSNJ has made to reduce expenditures, LSNJ will be able to get to this June 30 without the worst of the staff and service cuts that were anticipated; and

WHEREAS, in State Fiscal Year 2010, LSNJ faces a calamitous situation as reserves and one-time strategies of reprogramming funds will be exhausted; and

WHEREAS, for FY 2010, even taking into account modest increases from the federal government and a recent change in the design of the IOLTA program to set a floor to their rates, LSNJ still faces a \$17 million budget shortfall; and

WHEREAS, the order of magnitude of this shortfall far exceeds that suffered by other key government agencies involved in the justice system; and

WHEREAS, the collapse in LSNJ revenue has occurred at a time when the civil legal needs of low-income people have exploded due to the State and national recession; and

WHEREAS, while in 2008 LSNJ opened 67,000 cases, an all-time record, it still could serve only approximately twenty percent of low-income New Jerseyans seeking assistance with civil legal problems; and

WHEREAS, many low-income people seek assistance with fundamental human needs, and this economic crisis has given rise to an explosion in the number and breath of cases, which include evictions, foreclosures, unemployment insurance problems, welfare, consumer collections and domestic violence, for example; and

WHEREAS, for each one million dollars of funding lost by LSNJ, at least 1,100 fewer clients will be served and at least ten full-time staff will be lost, just at a time when client need is most extreme; and

WHEREAS, we respectfully urge the Legislature and the Governor to support an appropriation for LSNJ of \$17 million from the General Fund for FY2010 to ensure access to justice for those living in poverty in New Jersey;

THEREFORE, BE IT RESOLVED that the Garden State Bar Association endorses this resolution and urges the Legislature and the Governor to act with all deliberate speed to provide LSNJ with a \$17 million appropriation from the General Fund for FY2010.

Signed:

Tracy M. Thompson

Tracy M. Thompson, Esq.- Treasurer