



- b. 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.
- c. 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.
- II) Discussion of the Rulemaking Protocol.

LSC's Rulemaking Protocol (67 FR 69762) provides that

"The impetus for a rulemaking may come from any one of several sources; Congressional directive; internal LSC initiative (Board or Committee members and/or staff); or a formal request from a member of the regulated community or general public. Decisions on whether to undertake rulemakings will be made by the Board upon the recommendation of the Committee." 67 FR 69763.

When Management believes that rulemaking on a given topic should be undertaken, it makes its recommendation to the Committee, which then determines whether to recommend to the Board that the Board initiate the rulemaking. In most instances, the Committee will base its recommendation upon consideration of a Rulemaking Options Paper ("ROP") prepared by the Office of Legal Affairs (OLA"). The ROP will contain a discussion of the subject for the potential rulemaking, and will include an outline of the policy and legal issues involved, as well as the mechanisms to accomplish the rulemaking.

III) Next Steps.

Management requests that the Committee recommend to the Board that LSC fully explore rulemaking options regarding the PAI requirement in light of the findings and recommendations of the Task Force. The next step is the development of a Rulemaking Options Paper for the Committee's review.