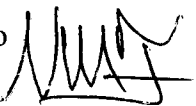




OFFICE OF LEGAL AFFAIRS

MEMORANDUM

TO: Operations & Regulations Committee

FROM: Victor M. Fortuno
General Counsel 

DATE: January 26, 2006

SUBJECT: Staff Report on 45 CFR Part 1621 (Client Grievance Procedure)

Rulemaking

Introduction

On October 29, 2005, the Board of Directors directed that the Legal Services Corporation (LSC) initiate a rulemaking to consider revisions to LSC's regulation on client grievance procedures. 45 CFR Part 1621 (hereinafter "Part 1621"). The Board further directed that LSC convene a Rulemaking Workshop and report back to the Operations & Regulations Committee prior to the development of any Notice of Proposed Rulemaking ("NPRM"). This report is provided to inform the Committee of the results of the Rulemaking Workshop and present management's recommendation for further action in the rulemaking.

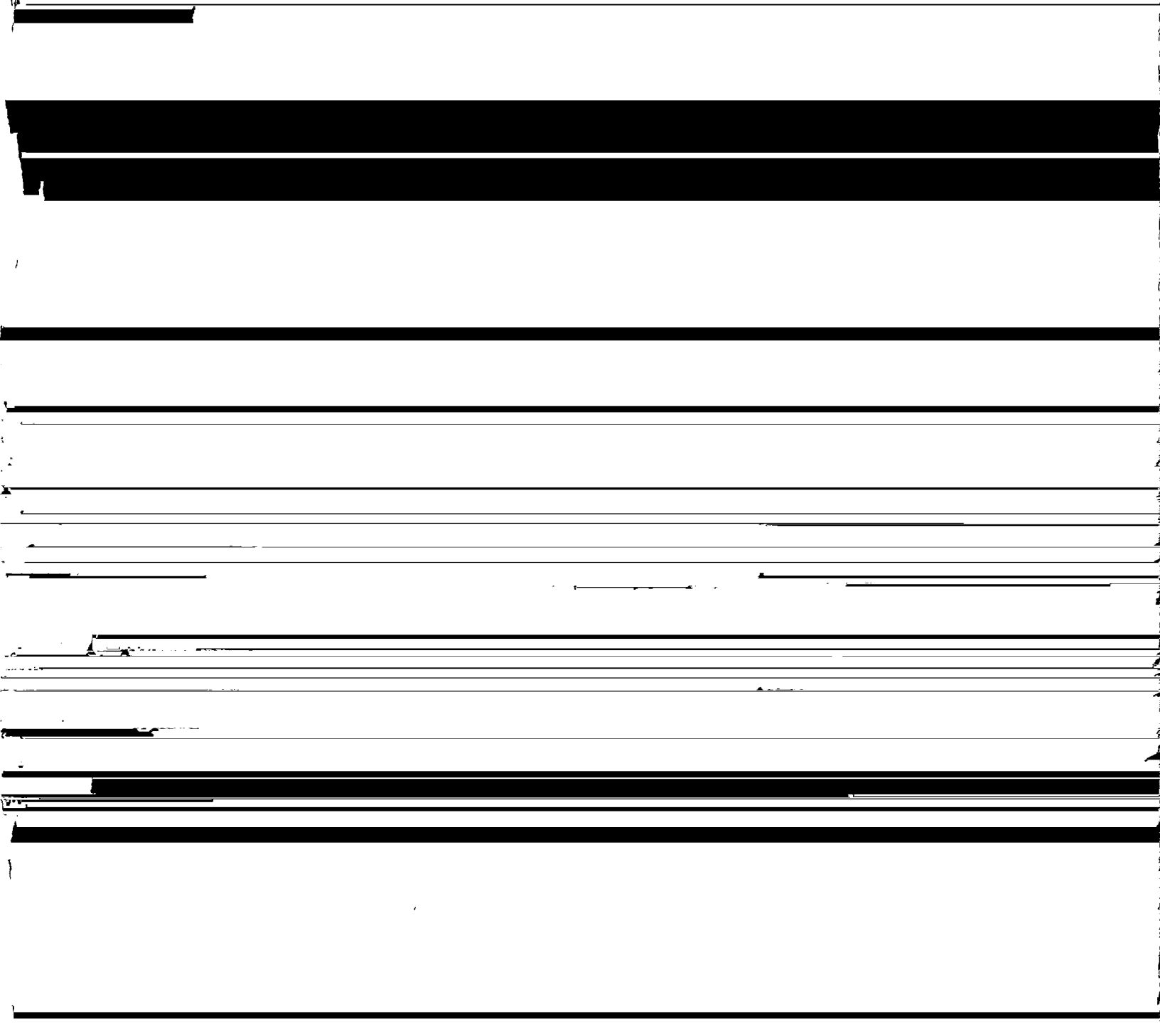
Summary of the Workshop

LSC convened a Rulemaking Workshop on January 18, 2006, to discuss Part 1621. The following persons participated in the Workshop: Gloria Beaver, South Carolina Centers for

Equal Justice Board of Directors (client representative); Steve Bernstein, Director, Legal Services of New York – Brooklyn; Colleen Cotter, Director, The Legal Aid Society of Cleveland; Irene Morales, Director, Inland Counties Legal Services; Linda Perle, Senior Counsel, Center for Law and Social Policy; Melissa Pershing, Director, Legal Services Alabama; Don Saunders, Director, Civil Legal Services, National Legal Aid and Defender Association; Rosita Stanley, National Legal Aid and Defenders Association Client Policy Group (client representative); Chuck Wynder, Acting Vice President, National Legal Aid and Defenders Association; Steven Xanthopoulos, Director, West Tennessee Legal Services; Helaine Barnett, LSC President (convening representative); Karen S. ... LSC Vice President for Programs and

President Barnett welcomed the group and provided background on the LSC Board's interest in reviewing Part 1621. She explained that this is LSC's second rulemaking workshop, which is designed to share issues and problems but not to develop recommendations or consensus. After self-introductions by the participants and finalization of the agenda, the participants began their discussions.

At the outset, Ms. Gordon provided some background and an overview of the



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service?;

- The appropriate role of the governing body in the client grievance/client relations

Whether and to what extent is it appropriate for a grantee to provide assistance to a client

at a grievance hearing.

The group also considered the fact that some of the issues raised, although important, may not be easily or most appropriately addressed in the text of the regulation. It may be that little or no change to the regulation itself is really necessary, but that the Corporation would be well advised to issue either non-regulatory guidance, or, if proposing regulatory changes, to ensure that the preamble covers certain interpretive and practice matters which are important even if not susceptible to being captured in regulatory text.

Finally, the group was in general agreement that additional opportunity for comment and fact finding would prove useful to both LSC and the legal services community before LSC commits to moving ahead with the development of a Notice of Proposed Rulemaking. In particular, it was felt that seeking additional input from both client representatives and other