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March 12, 2018 (by email and mail)

Senator Mike Enzi Chairman Committee on the Budget United States Senate Washington, D.C. 20510

Senator Bernie Sanders Ranking Member Committee on the Budget United States Senate Washington, D.C. 20510 Honorable Steve Womack Chairman Committee on the Budget United States House of Representatives Washington, D.C. 20515

Honorable John Yarmuth Ranking Member Committee on the Budget United States House of Representatives Washington, D.C. 20515

Re: Statement from the American College of Bankruptcy

Dear Senator Enzi, Senator Sanders, Representative Womack, and Representative Yarmuth,

Please find enclosed, a Statement from the American College of Bankruptcy regarding proposed defunding of Legal Services Corporation.

The American College of Bankruptcy is an honorary association of almost 900 bankruptcy and insolvency professionals. The College plays an important role in sustaining professional excellence in the bankruptcy field. College Fellows include commercial and consumer bankruptcy attorneys, judges, insolvency accountants, turnaround and workout specialists, law professors, government officials and others in the bankruptcy and insolvency community.

Richard L. Wasserman (4th Cir.) Thank you for consideration of the College's Statement.

G. Christopher Meyer Chair Marc A. Levinson President

American College of Bankruptcy



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Statement of the American College of Bankruptcy in Support of Federal Funding for the Legal Services Corporation

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It is a core value of the College that equal access to justice is a fundamental right and an established principle of the American legal system. Consistent with that belief, the College supports the long history and mission of the Legal Services Corporation, and joins other legal, judicial and corporate organizations and major law firms in calling upon Congress to preserve existing federal funding of the LSC and to reject the elimination or reduction of that funding as proposed in the President's fiscal 2019 budget.

Together with its affiliate, the American College of Bankruptcy Foundation, the College supports the LSC's efforts to provide funding for legal services offered to low-income Americans and thereby to promote equal access to justice. Our commitment exists not only by word in the College's formational documents, but also by deed in the Foundation's grants to community-based legal services organizations that provide pro bono services for indigent consumer debtors who may be forced to seek protection of the Bankruptcy Code. We believe that the Foundation is the single largest private source of support for pro bono services in the bankruptcy sector. But the Foundation and other charitable organizations cannot succeed alone. They need the LSC entities to provide the physical facilities and the staff to process potential clients, including initial screening of cases for merit and eligibility.

Defunding the LSC will substantially increase the number of low-income Americans who will be unrepresented by counsel in seeking to obtain relief in the bankruptcy courts. Debtors appearing without counsel are ill-equipped to handle the legal intricacies of their own cases. These pro se cases clog the court system, requiring disproportionate time and attention of bankruptcy judges and court staff at the expense of other business. Of course, the increased costs of an inefficient justice system are borne by the taxpayers.

Civil legal aid helps streamline the court system, reducing the number of unnecessary lawsuits and cutting down on court costs and staff overtime.

Legal representation improves the efficiency of bankruptcy cases and other civil proceedings. Self-help centers operated and online legal forms developed through funding from the LSC also help parties navigate the system more effectively.

LSC's role in providing civil legal aid has increased access to justice for the least fortunate in our society, including veterans, abused children, disaster survivors, low-wage workers, seniors, victims of domestic violence, and families left without means by catastrophic medical bills, natural disasters, or loss of employment.

Through the good work and generosity of our Fellows and the grants funded by our Foundation to legal services organizations in over half the states and the District of Columbia, the College continues its efforts to ensure access to justice for indigent Americans. We call upon the federal government to continue to fund LSC so that Americans of all backgrounds, including those who face the most difficult legal challenges, can navigate the justice system effectively.