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NY The Likely Loser As Strike Pits Lawyer Against Lawyer

By **Pete Brush**

Law360, New York (May 15, 2013, 7:35 PM ET) -- Anger over cuts to legal services budgets boiled over in New York City on Wednesday as unionized attorneys representing low-income clients went on strike, ripping their managers — also lawyers — in an ugly dispute experts said would cost the city and state far more than the \$8 million at issue if the dispute wears on.

The United Auto Workers-backed Legal Services Staff Association, representing 219 legal industry workers — including 98 lawyers — voted overwhelmingly to strike after the management of Legal Services NYC, the largest provider of services for low-income people in the country, pushed for a new contract with reductions in health care and retirement benefits and small raises with no cost-of-living adjustments.

Strikes are relatively rare in New York's indigent legal services industry — the National Organization of Legal Services Workers UAW Local 2320's last strike was 20 years ago.

But Legal Services NYC and groups like it, which are funded largely through federal grants, have seen drastic drops in funding — 50 percent by management's calculations — tied to Washington budget cuts and sequestration, the automatic spending reductions that the U.S. Congress and President Barack Obama recently were unable to forestall in fiscal talks.

"This unfortunate conflict is yet another piece of evidence that access to justice is being dangerously eroded for the most vulnerable," said attorney Michael Miller, an estate planning expert who heads the New York County Lawyers' Association Task Force on Judicial Budget Cuts.

Experts watching the situation unfold Thursday were in agreement that, regardless of the outcome of the dispute, indigent New Yorkers facing evictions, foreclosure and other legal challenges such as disability disputes and family breakups would end up suffering the most.

That suffering, they said, could further impact budgets in unforeseen, negative ways. Legal services to a New Yorker attempting to ward off foreclosure, for example, do come at a cost, but the cost to the city or state in terms of services to those who lose their homes can be an order of magnitude higher, they said.

"It ultimately costs society more money when we don't address problems at an early stage," said Columbia University law professor Conrad Johnson, the former top attorney at the Harlem office of the Legal Aid Society of New York City. "When we turn our backs on people, for example, who need help keeping an apartment — and they are evicted — we all pay more."

It was unclear how long the strike would last but the sides appeared to deeply distrust each other in their estimates of just how bad the shortfalls are that need to be addressed.

After the overwhelming 173-13 strike vote the unionized lawyers ripped the organization as top-heavy with overpaid managers, while the organization said 20 percent of management positions already had been cut.

While management said it was facing an \$8 million cut in federal funding and warned massive layoffs would become necessary by 2015 if the union didn't make concessions, the union said the "pessimistic claims" were overblown and that the organization is working with a \$10 million capital surplus.

Management also said it pays out more for health care than any other civil legal services provider, like the Legal Aid Society or Urban Justice Center. But the union argued those benefits are necessary for the group's often-overworked staff to "pursue sustainable careers in direct legal services."

"Either someone isn't telling the truth, or they're just looking at this through different ends of the lens," said Pace University law professor Randolph M. McLaughlin, who also co-chairs Newman Ferrara LLP's civil rights practice group.

There was also discord about just how much ongoing legal work management could provide to clients already in the system.

Many lawyers were loath to comment or take sides on the matter because of thick ties throughout New York's legal community, but Johnson said there was little reason to doubt the motives of each side in the dispute.

"The root of this is just inadequate spending on a necessary expenditure," he said.

One place where the two sides appeared to be in agreement was that Legal Service NYC's ability to interview potential new clients would take a severe hit as a result of the strike.

"[We] will not be able to accept as many new clients if there is a strike; and given the limited resources available, they may have nowhere else to turn," Legal Services NYC Executive Director Raun Rasmussen said.

It may be the direct hit to intake services that drives a solution to the stoppage sooner rather than later, according to McLaughlin, who noted that the UAW has a reputation for being a "very strong union."

"Management is going to have to leave its fancy offices and do legal work again. Some of them probably haven't been on the front lines for a long time," he said. "The populations they serve, those people are not reading the dueling press releases — they're coming in to get help."

--Editing by John Quinn and Katherine Rautenberg.

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