



The State Bar of California

**OPEN SESSION
AGENDA ITEM
SEPTEMBER 2022
LSTFC EXECUTIVE COMMITTEE IV.A**

DATE: September 1, 2022

TO: Members, Legal Services Trust Fund Executive Committee

FROM: Danielle MacRae, Senior Program Analyst

SUBJECT: Selection Criteria and Other Parameters for the 2023-2025 Consumer Debt Competitive Grants

EXECUTIVE SUMMARY

Governor Newsom signed the Budget Act of 2022 (the Budget Act) on June 27, 2022.¹ The Budget Act allocates \$15 million in Equal Access Fund dollars for grants to qualified legal services projects (QLSPs) and support centers to provide consumer debt legal services to indigent Californians. These funds must be distributed through a competitive grant process and are available for encumbrance or expenditure through December 31, 2025.

On August 12, 2022, the Legal Services Trust Fund Commission (commission) approved a timeline for making 2023-2025 Consumer Debt competitive awards. So that the grant period can start by January 1, 2023, the commission delegated authority to the Executive Committee (committee) to approve the scoring rubric and request for proposals (RFP). It also delegated authority to a commissioner-staff team to score proposals and to the committee to recommend award amounts for commission approval.

This memo describes the proposed parameters for the 2023-2025 Consumer Debt grants. Additionally, it presents an RFP (Attachment A) and scoring rubric for the committee's consideration at its meeting on September 1, 2022.

¹ See the Budget Act of 2022 at https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB154.

BACKGROUND

The Budget Act allocates \$15 million for grants to QLSPs and support centers to provide “civil legal services for indigent persons related to consumer debt matters affected by the COVID-19 pandemic.”² Grant funds may not be used to supplant existing resources, and the funds have an encumbrance or expenditure date of December 31, 2025. Therefore, a three-year grant period, from January 1, 2023, to December 31, 2025, is recommended.

Of the \$15 million, up to 2.5 percent (\$375,000) is available for State Bar and Judicial Council administrative costs. The remaining funds must be allocated through a competitive grant process.³ The competitive grant process shall give preference to QLSPs and support centers that serve rural or underserved communities. The Budget Act does not define “consumer debt matters.”

DISCUSSION

Grant Timeline

On August 12, 2022, the commission approved the following timeline for making 2023-2025 Consumer Debt grants:

Date(s)*	Activity
July 11 – August 25, 2022	Staff drafts RFP and scoring rubric
August 2, 2022	Executive Committee recommends distribution timeline and delegation of authority
August 12, 2022	Commission approves distribution timeline and delegation of authority
September 1, 2022	Executive Committee approves RFP and scoring rubric
September 12, 2022	Staff releases RFP and application on SmartSimple
October 14, 2022	Applications due
October 17 – November 18, 2022	Application review
~November 30, 2022	Executive Committee recommends grant awards
~December 13, 2022	Commission approves grant awards
December 14 – 28, 2022	Staff sends grant agreements and processes invoices
January 1, 2023	Grant period begins

*Dates are subject to change by a few dates to accommodate staff, committee, commission, and applicant needs.

To implement this timeline and meet the January 1, 2023, grant start date, the commission delegated authority to the committee to approve the RFP and scoring rubric. The commission also delegated authority to a commissioner-staff team to score the submitted proposals.⁴

² Business and Professions Code section 6213(a)-(b) defines QLSP and support center. Legal services nonprofits must apply/reapply for QLSP or support center status every year.

³ Any funds not allocated pursuant to the competitive grant process (due to too few applicants, for example) shall be distributed to QLSPs and support centers pursuant to the Interest on Lawyer Trust Accounts (IOLTA)/ Equal Access Fund (EAF) formula.

⁴ The resolution passed by the commission reads: “RESOLVED, that the Legal Services Trust Fund Commission approves the timeline for 2023-2025 consumer debt grants as presented in the Executive Committee's August 12, 2022, memo; and it is FURTHER RESOLVED, that the commission delegate authority to the Executive Committee

Grant Parameters

To be eligible for a 2023-2025 Consumer Debt grant award, applicants must be a current QLSP or support center under California Business and Professions Code section 6213(a)-(b).⁵

Staff proposes there be no minimum grant award amount, but a maximum of \$1,200,000 (to be paid in three equal payments of up to \$400,000 on or near January 1 of each year). A maximum of \$1.2 million will allow multiple programs to develop robust, effective consumer debt programs or substantially expand existing programs. Applicants for funding must affirm the funds will not supplant existing resources.

The Budget Act requires funds be used to provide civil legal services related to consumer debt matters affected by the COVID-19 pandemic. State Bar staff recommends the following list of permissible activities:

Consumer Debt grant funds may be used to provide civil legal services related to:

- Debt collection, wage garnishment, or bank account levy defense,
- Financial abuse related to consumer debt,
- Protection against unfair debt collection practices,
- Protection against unfair or predatory lending and consumer scams,
- Credit reporting and credit discrimination,
- Bankruptcy, and
- Other consumer debt matters including those related to student loan, auto loan, credit card, and medical debt.

Staff recommends that legal services related to government debts (fines and fees) and child support debt not be fundable by this grant as they are best considered not consumer debt. Legal services related to consumer debt matters handled in small claims court would be fundable. Staff recommends that housing-related debt services, such as those related to home loans and back rent, also be permissible because the legislature did not specifically exclude this work; however, State Bar staff would strongly encourage programs to pursue a 2023-2024 homelessness prevention (HP 4) grant to provide those housing-related services instead.

The proposed activities are recommended because they are directly related to consumer debt and were impacted by the COVID-19 pandemic and resulting financial crisis. According to the Brookings Institution, “6.3 million mortgages, 11 million auto loans, 68 million student loans,

(committee) to approve the request for proposals, including scoring rubric, for the consumer debt grants and to a commissioner-staff team to score applications in consultation with the committee to provide funding recommendations for final approval by the commission.

⁵ See Business and Professions Code section 6213 at

https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=BPC§ionNum=6213.

and 62 million revolving loans (such as credit cards) were in forbearance” between March 2020 and May 2021.⁶

The Budget Act requires grant funds be used to provide services to indigent Californians, as defined by California Business and Professions Code section 6213(d).⁷

Selection Criteria

Staff recommends the rubric and guidance below to assist with evaluating proposals. The rubric would be a tool to guide discussion of proposals. The committee would have the discretion to recommend awards that best accomplish the goals of providing consumer debt civil legal services, with preference to rural and underserved groups, even where that means funding a program(s) that scored lower on the rubric and not funding a program(s) that scored higher.

Category	Exceeds Expectations	Meets Expectations	Below Expectations	Not Addressed
Project impact and strategies: The applicant proposes a project that significantly and directly addresses or will address a compelling need for the particular consumer debt legal services.				
Number of check marks	X25 points	X20 points	X15 points	X0 points
Subtotal				
Administration: The applicant demonstrates that it has the qualifications, experience, resources, and/or partners that it needs to meet the proposal objectives.				
Number of check marks	X20 points	X15 points	X10 points	X0 points
Subtotal				
Serves rural populations: The applicant presents a thoughtful strategy targeting the consumer debt legal needs of specific rural communities.				
Serves underserved populations: The applicant presents a thoughtful strategy targeting the consumer debt legal needs of specific underserved communities.				
Project evaluation: The applicant details an evaluation strategy to acquire data that it can use to refine				

⁶ See “Government and private household debt relief during COVID-19,” September 8, 2021, at <https://www.brookings.edu/bpea-articles/government-and-private-household-debt-relief-during-covid-19/#:~:text=They%20estimate%20that%2C%20between%20March,%2486%20billion%20of%20their%20payments.>

⁷ See Business and Professions Code section 6213 at https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=BPC§ionNum=6213.

the project's strategies to increase effectiveness in addressing consumer debt matters.				
Number of check marks	X15 points	X10 points	X5 points	X0 points
Subtotal				
Special consideration: The applicant proposes consumer debt legal services that promote the long-term economic health and stability of individuals served.				
	0-10 points			
Total				

Staff proposes to include the following explanations in the RFP along with the rubric:

- **Project impact and strategies:** Applicants should explain how the project's strategies and goals – activities, partnerships, outputs, outcomes, etc. – will directly and significantly address consumer debt matters impacted by the COVID-19 pandemic. They should explain why they selected the particular intervention(s) over others and how the interventions will address consumer debt matters particularly affected by the pandemic and resulting economic crisis. The justification for the proposed services should refer to the circumstances and needs of particular populations that the project seeks to serve.
- **Administration:** Applicants should demonstrate their ability to implement and manage the proposed project. Signs of strong administration includes sufficient staffing, leadership, project monitoring, outreach, and resources. An applicant's history achieving deliverables and complying with the requirements – including deadlines – for other is relevant to this criterion.
- **Serves rural populations:** Applicants should describe the extent to which they would serve rural communities. The more the project would concentrate its efforts on rural populations, the more likely it will score a meets or exceeds expectations in this category.

Applicants should also detail their strategy for serving rural Californians. The strategy should consider the challenges they face – economic, geographic, political, and otherwise – to securing effective legal services. Likewise, it should address the likely challenges to providing services. Proposals ought to explain how the project will prioritize outreach and services to rural areas rather than just affirm their eligibility.

The California Commission on Access to Justice recommends defining "rural" as areas that meet the medical service study area (MSSA) standard for "rural" or "frontier." The California Office of Statewide Health Planning and Development identifies MSSA using sub-county clusters of census tracts.⁸ The California Commission on Access to Justice

⁸ For more information, please visit <https://www.arcgis.com/home/item.html?id=a20100c4bf374bd081bb49b82cbaaac3>.

argues that MSSA categories of rural and frontier – as opposed to urban – are better suited than counties to classify as rural areas.⁹ “Rural” MSSAs have 50,000 or fewer residents and population densities below 250 people per square mile. “Frontier” MSSAs have population densities of fewer than 11 people per square mile.

- **Serves underserved populations:** Applicants should describe the extent to which they would serve underserved communities. The more the project would concentrate its efforts on underserved populations, the more likely it will score a meets or exceeds expectations in this category.

Applicants should also detail their strategy for serving underserved communities. The strategy should consider the challenges they face – economic, geographic, political, and otherwise – to securing effective legal services. Likewise, it should address the likely challenges to providing services. Proposals ought to explain how the project will prioritize outreach and services to underserved communities rather than just affirm their eligibility.

These funds are limited to serving those who are statutorily indigent. Therefore, this criterion asks how the targeted population faces even higher barriers to accessing civil justice than do indigent people generally. Since “serves rural populations” is a separate criterion, “serves underserved populations” refers to serving other populations that are underserved relative to the indigent generally. Such populations may be defined with respect to categories including but not limited to race, ethnicity, age, limited English-proficiency, disability status, veteran status, and immigration status, but the application must demonstrate that the targeted population is relatively underserved.

- **Project evaluation:** Applicants should describe a strategy – frequency, diversity of approaches, etc. – to assess the effectiveness of project services. At least some evaluation data should be gathered and analyzed in time to allow project refinements during the grant. Dedicating financial and other resources to evaluation is relevant to this criterion.
- **Special consideration:** Applicants may receive additional points for proposing consumer debt legal services and strategies that promote long-term economic health and stability for individuals served. The applicant should explain how services promote or support long-term financial health in addition to resolving the immediate consumer debt legal issue.

The following provide guidance for “not addressed,” “below expectations,” “meets expectations,” and “exceeds expectations:”

- **Not addressed:** A proposal that scores “not addressed” in a category/criterion fails to satisfy that criterion in a meaningful way or lacks the relevant nexus. A proposal might

⁹ The California Commission on Access to Justice, “Improving Civil Justice in Rural California” (2010) available at <https://www.calatj.org/wp-content/uploads/2021/01/2010-Improving-Civil-Justice-in-Rural-CA.pdf>.

fail to satisfy a criterion in a meaningful way if it articulates only a vague intention to do so. A response might lack the relevant nexus to “serves rural populations,” for instance, if it would serve only an urban community.

- **Below expectations:** A proposal that scores “below expectations” in a category/criterion addresses that criterion but is insufficiently competitive or persuasive to justify a score of “meets expectations.” The proposal might aspire to do too little, for instance, such as only occasionally serving rural clients for the “serves rural populations” criterion. Or the proposal might lack sufficient detail, explanation, or basis in fact to demonstrate its contours or likelihood of success. Since such a proposal might still articulate a feasible project, this score confers some points.
- **Meets expectations:** A proposal that scores “meets expectations” in a category/criterion is competitive and persuasive with respect to that row of the rubric. To be competitive, the proposal will be sufficiently ambitious and/or compelling to merit the use of competitive funds. To be persuasive, the proposal will describe circumstances sufficiently probative of the applicant’s intention and ability to accomplish its stated objectives in that criterion.
- **Exceeds expectations:** A proposal that scores “exceeds expectations” in a category/criterion satisfies the standard for “meets expectations” while standing out as particularly compelling or impressive. A project might be especially compelling, for instance, because its strategies would be unusually impactful. Or the proposal might be exceptionally detailed, thorough, evidence-driven, or otherwise well-conceived and convincing.

The rubric bears structural similarities to rubrics for other competitive awards—e.g., partnership grants, 2022-2024 homelessness prevention (HP 3) competitive grants, and 2022-2025 CalHFA foreclosure prevention grants. These rubrics all adopted the categories of “exceeds expectations,” “meets expectations,” and “below expectations” for core criteria. This Consumer Debt scoring rubric also includes several criteria proposed by the Rules Committee for use across all discretionary grants, including administration and project evaluation. Using a rubric consistent with those for other competitive awards will increase predictability for applicants, consistency in scoring, and efficiency in grantmaking. Two aspects of the proposed rubric are different than past scoring rubrics, however.

The rubric criteria “serves rural populations” and “serves underserved populations” are conceptually similar to those used in previous grant scoring rubrics, particularly the HP 3 grant rubric; however, for HP 3, these criteria were called “focus on rural populations” and “focus on underserved populations.” One HP 3 applicant observed that “focus” could suggest a greater than 50 percent share of clients, services, or spending. It might also elevate quantity of services over quality of strategy. The term “focus” is not statutorily required; instead, Budget Act language requires a preference for applicants that serve rural and underserved communities. The commission tends to evaluate and compare – within and across applications – proposals’ breadth, depth, and sophistication for rural/underserved work. This is a much more holistic

analysis that the word “focus” suggests to some, therefore the word “focus” has been removed.

Additionally, staff recommends the scoring rubric include a “special consideration” category. A “special consideration” category allows the scoring team to award additional points to proposals that excel in a particular aspect that is important to the commission. Including a “special consideration” category results in a variation in scores that can be beneficial when determining which proposals to fund and not fund. In this memo, staff proposes awarding up to ten “special consideration” points to applicants whose proposed services promote the long-term financial health of individuals served, in addition to resolving their immediate consumer debt legal issues.

Staff invites committee discussion on whether other proposal features might be more important to prioritize for “special consideration,” however. Past scoring rubrics awarded “special consideration” points to proposals that sought partnerships with community-based organizations and to applicants that proposed to use evidence-based advocacy strategies. Past “special consideration” categories were often informed by legislative preferences for specific project features, but no similar preferences have been communicated to the State Bar for these Consumer Debt grant funds.

Staff recommends that the committee strive for a diversity of consumer debt legal services. This would entail a services-based analysis of the top scoring proposals. To the extent that particular services might be under-represented, the committee could exercise discretion to fund that work. The discretion to spread funding statewide and to fund a diversity of interventions invites a comparative, post-scoring analysis.

The commission delegated authority to a commissioner-staff scoring team to review and score all submitted proposals. Staff recommends a scoring team comprised of two staff members and two commissioners. This combination of staff and commissioners would result in equal staff and commissioner input when assessing each proposal.

Application Components

Staff proposes that the Consumer Debt grant application include the components below.

- 1. Form A: Project Profile**

The project¹⁰ profile would collect high-level information about the project’s geographic focus, budget request, and current funding (if any), as well as a project abstract.

- 2. Form B: Project Description**

The project description would collect detailed information about the project’s needs, clients, partnerships, goals, activities, deliverables, and strategies for outreach, accessibility, and evaluation. It would also ask for detailed narratives about the applicant’s qualifications and resources to perform the work effectively.

¹⁰ “Project” here refers to the specific project for which the applicant (which may itself be in its entirety a Qualified Legal Services Project) seeks funding.

3. **Form C: Project Budget**

The project budget would collect information on how the program proposes to allocate Consumer Debt funds to the project over three years. Proposals would need to identify staff by their role (e.g., “managing attorney”) and estimate the amount of time that these roles would spend on the project. The project staff, budget, and description should be consistent with each other.

4. **Form D: Budget Narrative**

The budget narrative would collect information about each line of the budget, noting whether the grant would directly pay for specific items or be allocated on a percentage or other basis.

5. **Form E: Project Assurances**

Staff proposes that the Consumer Debt grants use similar assurances to those for other state-funded awards. Programs would have to acknowledge that:

- A. Applicant will use funds it receives from the 2023-2025 Consumer Debt grant only for purposes stated in its application. Should the State Bar determine in its sole discretion that applicant is not likely to use all funds received for these purposes within the grant period, Applicant will return funds to the State Bar as directed to the State Bar.
- B. Applicant will not discriminate based on race, color, national origin, religion, gender, disability, age, marital or domestic partnership status, medical condition, or sexual orientation.
- C. Applicant will comply with quality control procedures adopted by the State Bar of California.
- D. Applicant will permit reasonable site visits by the State Bar and will present additional information deemed reasonably necessary by the State Bar to determine compliance with the terms of the grant.
- E. Applicant will comply with fiscal management and control procedures adopted by the State Bar.
- F. Any proposal submitted for a Consumer Debt grant, and all documents submitted pursuant to issuance of this funding, are public documents, and may be disclosed to any person.
- G. Applicant assures that, to the extent this grant is being sought for an existing project, the funds will be used for services in addition to those already funded by other funds and will not supplant current funding committed to that project.

- H. Applicant will file regular program and financial reports, as may be required by the State Bar, and cooperate with other data collection requests by the State Bar for this grant project.
- I. The State Bar is permitted, in its sole discretion, to adjust Applicant's award at any time to reflect the actual amount of funding available for Consumer Debt competitive grants. Consequently, grantees shall not be guaranteed any specific dollar amount in grant funds, or any grant funds at all, if funds received are insufficient or unavailable to the State Bar.

Reporting Requirements

Demonstrating effective use of these funds is critical to supporting future funds. Grantees must, therefore, report quantitative and qualitative data describing their clients and activities. The 2023-2025 Consumer Debt grants are supported by state dollars from the Equal Access Fund. State Bar staff therefore expect that these grants will require annual and mid-year reporting.

Staff proposes modeling the Consumer Debt reporting requirements after those for other grants supported by Equal Access Funds. Reporting requirements may be subject to guidance from the Department of Finance and other agencies. As such, some requirements might become known to the State Bar at a later date.

State Bar staff expect reporting requirements would include:

1. **Annual Expenditure Reports**

Grantees would have to submit annual spending reports that compare expenditures to the approved budget. Grantees would have to report budget variances exceeding 10 percent to the State Bar.

2. **Mid-Year and Annual Evaluation Reports**

Grantees would have to submit mid-year and annual reports with data on the target population(s) served by the grant activities:

- A. Main benefits for all cases according to those codes and definitions in the California Legal Aid Reporting Handbook that are relevant to the permissible activities of the Consumer Debt grants.
- B. Geographic and demographic data of clients.
- C. Economic benefits for cases that resulted in an award for or savings to the client.
- D. Highest levels of service provided where there was an attorney-client relationship and aggregated data about all other services (e.g., trainings).
- E. Any other data necessary to comply with reporting requirements.

3. Final Evaluation Report

In addition to the mid-year and annual services reports, grantees would have to submit a final evaluation about the following outputs and outcomes, among others:

- A. Service population: How did this project impact the people it served? What changed for them, or what negative outcomes were prevented?
- B. Community impact: Describe whether and how this project has changed the community it serves.
- C. Evaluation/Assessment: Describe the processes used to assess the effectiveness of this project and any lessons learned regarding the project itself or the community it serves.
- D. Reports: Upload any report completed regarding the evaluation or assessment of this project or demonstrating the effect of services rendered (e.g., client satisfaction survey results, pre- and post-service results, number of cases in which stipulations were reached, number of trials, outcome of trials, etc.).
- E. Other impacts: Will this project have any immediate or long-term impacts that are not captured in main benefits reporting?
- F. Continuation of the project: Describe any plans to continue the project after the grant period.
- G. Publications: Describe any future publication or distribution plans for materials resulting from grant activities; provide the URL for online resources related to this project (web sites, resource libraries, etc.).
- H. Impact work and materials:
 - Overview of impact litigation cases: For any grant-funded impact cases your organization litigated as part of this project during the grant period, whether open or closed, report the case name, number of individuals estimated to be impacted, date filed, venue, and any partners or co-counsel participating.
 - Overview of public policy advocacy activities: Describe any grant-funded public policy advocacy activities your organization engaged in during the grant period.
 - Training and support activities: Describe any grant-funded training or other support activities not identified above. For support centers, use this space to provide quantitative and qualitative data about trainings, convenings,

research, and other support for QLSPs.

RECOMMENDATIONS

Should the committee concur with staff's proposal, passage of the following resolution is recommended:

RESOLVED, that the Legal Services Trust Fund Commission Executive Committee, acting on behalf of the commission under its delegated authority, approves the request for proposals (RFP), scoring rubric, and grant parameters for the 2023–2025 Consumer Debt grants as described in staff's September 1, 2022, memorandum to the Executive Committee.

ATTACHMENT(S) LIST

- A. 2023–2025 Consumer Debt Grant Request for Proposals (RFP)



2023-2025 Consumer Debt Grant

Request for Proposals

Background

In June 2022, Governor Newsom signed the Budget Act of 2022 allocating \$15 million in Equal Access Fund dollars for grants to qualified legal services projects (QLSPs) and support centers to provide consumer debt legal services. The Budget Act requires these funds be used “to provide civil legal services for indigent persons related to consumer debt matters affected by the COVID-19 pandemic.” After deductions for administrative costs, the consumer debt funds are to be distributed through a competitive grant process.¹

Consumer debt grant funds may be used to provide civil legal services related to:

- Debt collection, wage garnishment, or bank account levy defense,
- Financial abuse,
- Protection against unfair debt collection practices,
- Protection against unfair or predatory lending and consumer scams,
- Credit reporting and credit discrimination,
- Bankruptcy, and
- Other debt matters including those related to student loan, auto loan, credit card, and medical debt.

Eligibility

To be eligible for consideration, applicants must submit proposals for 2023-2025 Consumer Debt Grant funding by **Friday, October 14, 2022, at 5:00 p.m. (PT)** through SmartSimple. No extensions will be granted. To be eligible for the award, applicants must be a QLSP or support center under California Business and Professions Code [section 6213\(a\)-\(b\)](#).

Competitive Grant Parameters

1. Consumer debt grant awards must be used to provide civil legal services related to consumer debt matters affected by the COVID-19 pandemic. For the purposes of this

¹ Any funds not allocated pursuant to the competitive grant process (due to too few applicants, for example) shall be distributed to QLSPs and support centers pursuant to the IOLTA/EAF formula.

grant, consumer debt does not include government debt (fines and fees) or child support debt. Consumer debt matters in small claims court are permissible, however.²

2. Grant funds must be used to provide services to indigent Californians, as defined by California Business and Professions Code [section 6213\(d\)](#).
3. There is no minimum amount of funding that programs may request. The maximum that a program may request is \$1,200,000 for three years (payments to grantees will be made in three equal installments on or near January 1, 2023, January 1, 2024, and January 1, 2025).
4. Grant funds may not supplant existing resources. Applicants will need to explain how they will avoid doing so.
5. Applicants that serve rural or underserved communities shall receive preference, as required by the Budget Act of 2022.

Award Information

The commission will distribute at least \$14,625,000 in competitive funds. It plans to vote on final award amounts in December 2022. The competitive grant period will start on January 1, 2023, and end on December 31, 2025. The commission seeks to fund high-impact projects and a diversity of consumer debt legal services throughout the state.

Selection Criteria

Award decisions are final and without appeal. The funding level of awards will depend on the number and quality of the proposals as well as proposed budgets. A successful response to this RFP will expressly and persuasively:

- Identify how the proposed project aligns with the permissible uses and would meet the compelling needs of the population(s) it targets;
- Articulate the estimated outputs (e.g., number of cases closed) and outcomes (e.g., increase in knowledge of lender's rights) of services. Applicants should identify goals they seek to achieve with this grant that are tied to the specific activities and deliverables proposed;
- Highlight how clients in "rural or underserved communities"—please see definitions below—will be effectively targeted and served, if applicable; and

² Housing-related debt services, such as those related to home loans and back rent, are also permissible; however, State Bar staff strongly recommend programs pursue a 2023-2024 homelessness prevention (HP 4) grant award to provide those services instead.

- Describe the applicant's qualifications and staffing to perform the proposed work.

The commission will use its best efforts to distribute grants statewide and to fund a diversity of consumer debt interventions. Additionally, the Executive Committee (committee), on behalf of the commission, has adopted the following rubric to guide its deliberations:

Category	Exceeds Expectations	Meets Expectations	Below Expectations	Not Addressed
Project impact and strategies: The applicant proposes a project that significantly and directly addresses or will address a compelling need for the particular consumer debt legal services.				
Number of check marks	X25 points	X20 points	X15 points	X0 points
Subtotal				
Administration: The applicant demonstrates that it has the qualifications, experience, resources, and/or partners that it needs to meet the proposal objectives.				
Number of check marks	X20 points	X15 points	X10 points	X0 points
Subtotal				
Serves rural populations: The applicant presents a thoughtful strategy targeting the consumer debt legal needs of specific rural communities.				
Serves underserved populations: The applicant presents a thoughtful strategy targeting the consumer debt legal needs of specific underserved communities.				
Project evaluation: The applicant details an evaluation strategy to acquire data that it can use to refine the project's strategies to increase effectiveness in addressing consumer debt matters.				
Number of check marks	X15 points	X10 points	X5 points	X0 points
Subtotal				
Special consideration: The applicant proposes consumer debt legal services that promote the long-term economic health and stability of individuals served.				

	0-10 points
Total	

Note: The rubric is a tool to guide discussion of proposals. The commission has the discretion to make awards that best accomplish the goals of the Budget Act of 2022, even where that might mean funding a program or programs that scored lower on the rubric and not funding a program or programs that scored higher.

The following explanations accompany the rubric's core criteria:

- **Project impact and strategies:** Applicants should explain how the project's strategies and goals – activities, partnerships, outputs, outcomes, etc. – will directly and significantly address consumer debt matters impacted by the COVID-19 pandemic. They should explain why they selected the particular intervention(s) over others and how the interventions will address consumer debt matters particularly affected by the pandemic and resulting economic crisis. The justification for the proposed services should refer to the circumstances and needs of particular populations that the project seeks to serve.
- **Administration:** Applicants should demonstrate their ability to implement and manage the proposed project. Signs of strong administration includes sufficient staffing, leadership, project monitoring, outreach, and resources. An applicant's history achieving deliverables and complying with the requirements – including deadlines – for other is relevant to this criterion.
- **Serves rural populations:** Applicants should describe the extent to which they would serve rural communities. The more the project would concentrate its efforts on rural populations, the more likely it will score a meets or exceeds expectations in this category.

Applicants should also detail their strategy for serving rural Californians. The strategy should consider the challenges they face – economic, geographic, political, and otherwise – to securing effective legal services. Likewise, it should address the likely challenges to providing services. Proposals ought to explain how the project will prioritize outreach and services to rural areas rather than just affirm their eligibility.

The California Commission on Access to Justice recommends defining "rural" as areas that meet the medical service study area (MSSA) standard for "rural" or "frontier." The California Office of Statewide Health Planning and Development identifies MSSA using sub-county clusters of census tracts. The California Commission on Access to Justice argues that MSSA categories of rural and frontier – as opposed to urban – are better suited than counties to classify as rural areas. "Rural" MSSAs have 50,000 or fewer

residents and population densities below 250 people per square mile. “Frontier” MSSAs have population densities of fewer than 11 people per square mile.

- **Serves underserved populations:** Applicants should describe the extent to which they would serve underserved communities. The more the project would concentrate its efforts on underserved populations, the more likely it will score a meets or exceeds expectations in this category.

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- **Project evaluation:** Applicants should describe a strategy – frequency, diversity of approaches, etc. – to assess the effectiveness of project services. At least some evaluation data should be gathered and analyzed in time to allow project refinements during the grant. Dedicating financial and other resources to evaluation is relevant to this criterion.
- **Special consideration:** Applicants may receive additional points for proposing consumer debt legal services and strategies that promote long-term economic health and stability for individuals served. The applicant should explain how services promote or support long-term financial health in addition to the immediate consumer debt legal issue.

The following provide guidance for “not addressed,” “below expectations,” “meets expectations,” and “exceeds expectations:”

- **Not addressed:** A proposal that scores “not addressed” in a category/criterion fails to satisfy that criterion in a meaningful way or lacks the relevant nexus. A proposal might

fail to satisfy a criterion in a meaningful way if it articulates only a vague intention to do so. A response might lack the relevant nexus to “serves rural populations,” for instance, if it would serve only an urban community.

- **Below expectations:** A proposal that scores “below expectations” in a category/criterion addresses that criterion but is insufficiently competitive or persuasive to justify a score of “meets expectations.” The proposal might aspire to do too little, for instance, such as only occasionally serve rural clients for the “serves rural populations” criterion. Or the proposal might lack sufficient detail, explanation, or basis in fact to demonstrate its contours or likelihood of success. Since such a proposal might still articulate a feasible project, this score confers some points.
- **Meets expectations:** A proposal that scores “meets expectations” in a category/criterion is competitive and persuasive with respect to that row of the rubric. To be competitive, the proposal will be sufficiently ambitious and/or compelling to merit the use of competitive funds. To be persuasive, the proposal will describe circumstances sufficiently probative of the applicant’s intention and ability to accomplish its stated objectives in that criterion.
- **Exceeds expectations:** A proposal that scores “exceeds expectations” in a category/criterion satisfies the standard for “meets expectations” while standing out as particularly compelling or impressive. A project might be especially compelling, for instance, because its strategies would be unusually impactful. Or the proposal might be exceptionally detailed, thorough, evidence-driven, or otherwise well-conceived and convincing.

2022-2025 Consumer Debt Grant-making Timeline

Date(s)	Activity
July 11 – August 25, 2022	Staff drafts RFP and scoring rubric
August 2, 2022	Executive Committee recommends distribution timeline and delegation of authority
August 12, 2022	Commission approves distribution timeline and delegation of authority
September 1, 2022	Executive Committee approves RFP and scoring rubric
September 12, 2022	Staff releases RFP and application on SmartSimple
October 14, 2022	Applications due
October 17 – November 18, 2022	Application review
~November 30, 2022	Executive Committee recommends grant awards
~December 13, 2022	Commission approves grant awards
December 14 – 28, 2022	Staff sends grant agreements and processes invoices
January 1, 2023	Grant period begins

Application Components

A complete Consumer Debt grant application will include the components below. Please see the application instructions for detailed guidance.

1. **Form A: Project Profile**

The project³ profile collects high-level information about the project's geographic focus, budget request, current funding (if any), and abstract.

2. **Form B: Project Description**

The project description collects detailed information about the project's needs, clients, partnerships, goals, activities, deliverables, and strategies for outreach, accessibility, and evaluation. It also asks for detailed narratives about the applicant's qualifications and resources to perform the work effectively.

3. **Form C: Project Budget**

The project budget collects information on how the program proposes to allocate Consumer Debt funds to the project over three years. Proposals will need to identify staff by their role (e.g., "managing attorney") and estimate the amount of time that these roles would spend on the project. The project staff, budget, and description should be consistent with each other.

4. **Form D: Budget Narrative**

The budget narrative collects information about each line of the budget, noting whether the grant will directly pay for specific items or be allocated on a percentage or other basis.

5. **Form E: Project Assurances**

Programs will have to acknowledge the following:

- A. Applicant will use funds it receives from the 2023-2025 Consumer Debt Grant only for purposes stated in its application. Should the State Bar determine in its sole discretion that applicant is not likely to use all funds received for these purposes within the grant period, Applicant will return funds to the State Bar as directed to the State Bar.
- B. Applicant will not discriminate based on race, color, national origin, religion, gender, disability, age, marital or domestic partnership status, medical condition, or sexual orientation.

³ "Project" here refers to the specific project for which the applicant (which may itself be in its entirety a Qualified Legal Services Project) seeks funding.

- C. Applicant will comply with quality control procedures adopted by the State Bar of California.
- D. Applicant will permit reasonable site visits by the State Bar and will present additional information deemed reasonably necessary by the State Bar to determine compliance with the terms of the grant.
- E. Applicant will comply with fiscal management and control procedures adopted by the State Bar.
- F. Any proposal submitted for a Consumer Debt Grant, and all documents submitted pursuant to issuance of this funding, are public documents, and may be disclosed to any person.
- G. Applicant assures that, to the extent this grant is being sought for an existing project, the funds will be used for services in addition to those already funded by other funds and will not supplant current funding committed to that project.
- H. Applicant will file regular program and financial reports, as may be required by the State Bar, and cooperate with other data collection requests by the State Bar for this grant project.
- I. The State Bar is permitted, in its sole discretion, to adjust Applicant's award at any time to reflect the actual amount of funding available for Consumer Debt competitive grants. Consequently, grantees shall not be guaranteed any specific dollar amount in grant funds, or any grant funds at all, if funds received are insufficient or unavailable to the State Bar.

Reporting Requirements

Grantees must report quantitative and qualitative data describing the clients they served and the activities they performed.

Consumer Debt grants must comply with the existing framework for Equal Access Program reporting except where necessary to meet other state requirements. Reporting requirements may be subject to guidance from the Department of Finance and other agencies. As such, some requirements might become known to the State Bar at a later date.

Reporting requirements will include:

1. Annual Expenditure Reports

Grantees will have to submit annual spending reports that compare expenditures to the approved budget. Grantees would have to report budget variances exceeding 10 percent to the State Bar.

2. **Mid-Year and Annual Evaluation Reports**

Grantees will have to submit mid-year and annual reports with data on the target population(s) served by the grant activities:

- A. Main benefits for all cases according to those codes and definitions in the California Legal Aid Reporting Handbook that are relevant to the permissible activities of the Consumer Debt grants.
- B. Geographic and demographic data of clients.
- C. Economic benefits for cases that resulted in an award for or savings to the client.
- D. Highest levels of service provided where there was an attorney-client relationship and aggregated data about all other services (e.g., trainings).
- E. Any other data necessary to comply with reporting requirements.

3. **Final Evaluation Report**

In addition to the mid-year and annual services reports, grantees will have to submit a final evaluation about the following outputs and outcomes, among others:

- A. Service population: How did this project impact the people it served? What changed for them, or what negative outcomes were prevented?
- B. Community impact: Describe whether and how this project has changed the community it serves.
- C. Evaluation/Assessment: Describe the processes used to assess the effectiveness of this project and any lessons learned regarding the project itself or the community it serves.
- D. Reports: Upload any report completed regarding the evaluation or assessment of this project or demonstrating the effect of services rendered (e.g., client satisfaction survey results, pre- and post-service results, number of cases in which stipulations were reached, number of trials, outcome of trials, etc.).
- E. Other impacts: Will this project have any immediate or long-term impacts that are not captured in main benefits reporting?

- F. Continuation of the project: Describe any plans to continue the project after the grant period.
- G. Publications: Describe any future publication or distribution plans for materials resulting from grant activities; provide the URL for online resources related to this project (web sites, resource libraries, etc.).
- H. Impact work and materials:
- Overview of impact litigation cases: For any grant-funded impact cases your organization litigated as part of this project during the grant period, whether open or closed, report the case name, number of individuals estimated to be impacted, date filed, venue, and any partners or co-counsel participating.
 - Overview of public policy advocacy activities: Describe any grant-funded public policy advocacy activities your organization engaged in during the grant period.
 - Training and support activities: Describe any grant-funded training or other support activities not identified above. For support centers, use this space to provide quantitative and qualitative data about trainings, convenings, research, and other support for QLSPs.

For Technical Support

If you have any questions, please contact Danielle MacRae, Senior Program Analyst, at (213) 765-1324 or Danielle.MacRae@calbar.ca.gov.